Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

IME Policy Clarification # 000102 ACIA

Date

MCO CEO Name
MCO
Address Line 1
Address Line 2
Des Moines, Iowa XX

Dear Ms/Mr.:

This letter is a formal notification of the state's expectations related to the operations and implementation of Iowa Medicaid under the managed care program. This purpose of this letter is to do following:

☒Provide formal guidance
☐Request for information

Content
The formal clarification being provided in this communication relates to payment by <MCO> for services rendered by Family Planning Clinics and other similar providers under the Iowa Family Planning Network (IFPN) limited benefit program. This clarification is broken out into the following discreet subject areas under IFPN:

1. Billing and payment for oral/other contraceptives and for other family planning and family planning related drugs and supplies.
    a. Family Planning Clinics (FPCs) which are enrolled as IFPN providers are allowed to dispense and bill for oral contraceptives (OCs), other contraceptive products (e.g., patches, diaphragms, condoms, vaginal rings, etc.), other family planning and family planning related drugs and supplies. Claims for these items are submitted by IFPN providers on CMS 1500 claims. This is unique to FPCs.
    b. FPCs may bill and be paid for up to a 90-day supply of OCs.
    c. Other providers, beyond the FPCs, are able to render IFPN covered services. These providers would include the following otherwise enrolled provider types: physicians, ARNPs, CNMs, hospital-based FP programs, FQHCs, RHCs. To the extent these non-FPC providers do not dispense and bill for these items as do the FPCs, they may write prescriptions for these family planning and family planning related drugs/supplies. IFPN members are able to take any such prescriptions to enrolled pharmacies to have those prescriptions filled.

   d. The MCO must cover/pay claims from pharmacies for IFPN covered drugs and supplies, whether prescribed by FPCs or other providers rendering covered IFPN services. And while pharmacies are not technically IFPN providers, per se, they may nonetheless bill and be paid for covered IFPN drugs they dispense, based on prescriptions brought to them from IFPN members.

2. Billing and payment for insertable (IUDs), inserted sub-dermal contraceptives (e.g., Depo Provera), and other long-acting reversible contraceptives (LARCs)
   a. To the extent FPCs insert IUDs, provide insertable subdermal contraceptives such as Depo Provera, or other LARCs, the FPC is able to bill for these services on a CMS 1500.
   b. To the extent other (non-FPC) providers able to render IFPN covered services provide these items, they would bill on the claim form typically used by that provider. In most cases, this would be the CMS 1500. To the extent a hospital provides these services on an outpatient basis, they would be billing on a UB claim form.

3. Billing and payment for sterilizations.
   a. To the extent FPCs and/or other non-FPC providers are able to safely/routinely provide certain types of sterilization procedures in procedure rooms within their clinics/offices (e.g., Essure) such would be billed as a covered IFPN service by the FPC or non-FPC provider, on that provider's regular claim form.
   b. To the extent a given sterilization procedure (e.g., tubal ligation) would necessitate use of an outpatient hospital or ambulatory surgery center (ASC) setting, then claims for services from these providers would also need to be paid.

4. Billing and payment for complications related to an otherwise IFPN-covered service must be paid to the FPC or non-FPC provider rendering such services. Examples of such services would be surgical repair of a tear in the uterus resulting from an IUD insertion, or some type of post-surgical complication following a sterilization procedure. Typically, these types of services would be rendered in an outpatient hospital or ASC setting. And while hospitals and ASCs are not technically IFPN providers they may nonetheless render and be paid for covered IFPN services.

5. FPCs which dispense IFPN covered drugs and supplies must be paid a dispensing fee, similar to a dispensing fee paid to pharmacies. The IME has long been paying FPCs this type of dispensing fee for these IFPN covered drugs/supplies. However, these dispensing fees to FPCs are not being paid by the MCOs. Payment to the FPCs for this dispensing fee is facilitated by the FPCs appending the "SE" modifier to claims (claim lines) for IFPN covered drugs/supplies which they dispense.
   a. Per information from the FPCs and their statewide association (i.e., Family Planning Council of Iowa, or FPCI), the MCOs do not appear to have incorporated the "SE" modifier into their respective claims processing systems for this purpose. For continuity and consistency with FFS Medicaid, the MCOs should follow these same protocols relative to use of the "SE" modifiers.
   b. It is also important to clarify that because the "rate floors" for FPCs would indeed reflect claims payments for that dispensing fee, not to mention the fact that the

MCO cap rates do indeed reflect those paid services (i.e., through the claims history used to develop the cap rates), the MCOs are obligated to pay the FPCs these dispensing fees.

6. Payment for all IFPN covered services, inclusive of all IFPN covered drugs and supplies, must be paid at a rate no less than the rate floor applicable for FPCs.

7. FPCs have indicated that some of the MCOs (did not specify which) were raising questions/issues regarding “Facility Contracts” versus “Provider Contracts” with the FPCs. The IME does not make this distinction in enrolling FPCs. The IME has always enrolled FPCs as a type of “non-institutional” provider, under their own “provider type” (22). Relative to the MCO’s “facility” vs. “provider” contracts distinction, the corollary on the IME side is “institutional” vs. “non-institutional”, where the former would be akin to “facility” and the latter to “provider”.
    a. The IME only enrolls the FPC as a “noninstitutional” (i.e., “non-facility”) type of provider. The IME does not require separate enrollment/credentialing of the individual practitioners employed by or affiliated with the FPC.
    b. The only exception to this under FFS would be in situations where an individual practitioner at an FPC would write prescriptions or make referrals for IFPN members. In such cases, this would be considered “ordering/referring” activity. Consistent with requirements under the Patient Protection and Affordable Care Act (PPACA), Section 6401, any “ordering/referring” provider must be enrolled as such with the Medicaid program.
    c. The MCOs must enroll FPCs consistent with how they are enrolled under FFS. Where applicable, the MCOs must also enroll any FPC practitioners as “ordering/referring”, where those PPACA Section 6401 standards are met.

8. IFPN providers have indicated there are still ongoing issues with billing and payment by the MCOs for IFPN covered services. In that regard, they have requested training sessions with each MCO, so as to provide a vehicle by which both the FPCs and MCOs are clear on what is required for billing and payment
    a. Family Planning Council of Iowa (FPCI) holds monthly meetings. It has been suggested that these types of training activities could be undertaken at these monthly meetings.
    b. FPCI and individual FPCs will continue to provide examples (i.e., TCNs) of denied or improperly paid claims, as well as other coverage/payment issues/concerns with the MCOs. This information is intended to facilitate the training activities discussed above.

9. All claims for covered IFPN services must be paid at a rate no lower than the rate floor established for provider rendering and billing for the services. Beyond FPCs, any other (non-FPC) provider rendering covered IFPN services must be paid at the rate floor corresponding to that provider type.

Please sign and return the attached receipt and attestation of understanding by May 24, 2016.

Sincerely,

Elizabeth Matney

Attestation:

I hereby attest to understanding this communication including all requirements and due dates.

Name_____ Date_____