MSA MEDICAL SERVICES ADMINISTRATION

Bulletin

Michigan Department of Community Health

Distribution: Federally Qualified Health Centers 02-02

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Subject: Tribal Health Center Appendix

Effective Date: As indicated

Program Affected: Medicaid

The attached Tribal Health Center Appendix details policies and procedures for Compacted or Contracted Tribes that sign the Memorandum of Agreement that were previously transmitted in policy bulletins. This appendix is to be used in combination with other Michigan Department of Community Health Medicaid manuals that explain the more generic policies and procedures applicable to Medicaid covered services. Please refer to MSA 01-09 and MSA 01-23 bulletins for important uniform billing procedures.

The Tribal Health Center services are billed on the HCFA 1500 paper professional billing format or National Electronic Data Interchange Transaction Set Health Care Claim Professional 837 ASC X 12N version 3051 or the Michigan Medicaid interim version 4010 (not HIPAA compliant) for electronic claims. Dental services are billed on the American Dental Association (ADA) Version 2000 claim form.

The changes related to the Uniform Billing Project for Michigan Medicaid require providers to utilize CDT-3 procedures for dental claims, and Current Procedural Terminology (CPT) and HCPCS Codes for professional claims. Local codes are eliminated to the extent possible so coding is consistent with industry standards. Local procedure codes 300400, 300401, and 300402 will be end-dated with an effective date of February 1, 2002.

Manual Update

Retain this appendix.

Questions

Any questions regarding this bulletin should be directed to: Provider Inquiry, Medical Services Administration, P.O. Box 30479, Lansing, Michigan 48909-7979, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affliliation, and a phone number so you may be contacted if necessary. Providers may phone toll free 1-800-292-2550.

Approved

James K. Haveman, Jr.
Director

Robert M. Smedes
Deputy Director for
Medical Services Administration

TRIBAL FACILITIES

Compacted or contracted tribal facilities are those owned and operated by American Indian and Alaska Native (AI/AN) Tribes and tribal organizations with funding authorized by the Indian Self-Determination and Education Assistance Act, P.L. 93-638.

TRIBAL HEALTH CENTER ENCOUNTER RATE

If the Tribal Health Center signs the Memorandum of Agreement (MOA), Medicaid outpatient services rendered at a Tribal facility are eligible for the Tribal Health Center encounter rate, effective for dates January 1, 1999 and after.

RETROACTIVE PROVISION OF THE INDIAN HEALTH SERVICE RATE

The reimbursement rate for eligible facilities is the amount payable under the Medicaid State Plan. Michigan's Medicaid State Plan was effective January 1, 1999.

FACILITY RATES

A facility may be only one type of provider and receive only one reimbursement rate that applies to all beneficiaries. A single facility may not be treated as two types of facilities depending on the individual being treated. Tribal facilities may opt to be certified as Indian Health Service (IHS) facilities and receive the IHS rate, or may opt to be certified as Federally Qualified Health Centers and receive the FQHC rates set by the State.

STATE PLAN

Tribal Health Center (THC) services under the THC MOA are outpatient Medicaid-covered services provided to eligible enrollees. These outpatient services are established in the Medicaid State Plan's Attachment 4.19-B, Page 10.

MEMORANDUM OF AGREEMENT (MOA)

The Michigan Department of Community Health (Department) may enter into agreements with Tribal Health Centers. The THC MOA and amendments are effective when both the Department and a Tribal Health Center are signatories to the THC MOA. See more about the THC MOA in Section 17.

MEDICAID PROVIDER ENROLLMENT

The Tribal Health Center must enroll in the Program each employed or subcontracted Tribal Health Center physician, dentist, optometrist, podiatrist, chiropractor, certified nurse practitioner (who has a collaborative agreement with a physician), and certified nurse-midwife in order for these providers to bill for full cost reimbursement on behalf of the Tribal Health Center. As stated in the Medicaid Practitioner Manual, each provider must have a completed and signed Medical Assistance Provider Enrollment Agreement (DCH-1625) on file with the Provider Enrollment Unit to be reimbursed for covered services rendered to Medicaid-eligible beneficiaries.

The Tribal Health Center must give notice to the Program (to both the Provider Enrollment Unit and the Hospital & Health Plan Reimbursement Division) of any contracted or subcontracted Medicaid provider who terminates employment with the Tribal Health Center. This notice must be in a letter listing the provider's name, Medicaid provider identification number, and termination date.

A Tribal Health Center with several HCFA-approved locations must have provider identification numbers for each eligible provider at those locations. Provider enrollment inquiries may be directed to the Provider Enrollment Unit at (517) 335-5492.

NON-ENROLLED PROVIDERS

All Tribal Health Centers (THCs) may bill professional services provided by THC social workers, psychologists, certified alcohol clinicians, other therapists (i.e., occupational and physical), and physician assistants. However, these providers are not enrolled in the Medicaid Program and do not have their own Medicaid provider ID numbers. Their services should be billed under the supervising physician's Medicaid ID number. The supervising physician is responsible for the medical necessity and appropriateness of these services.

TRIBAL HEALTH CENTER (THC) SERVICES

Tribal Health Center services are reimbursed at the THC MOA rate when provided in the center. Tribal Health Center services for Medicaid beneficiaries not enrolled in Medicaid Health Plans are as follow:

- Physician services
- Podiatrist services
- Chiropractor services
- Optometrist services
- Certified nurse practitioner services
- Certified nurse-midwife services
- Licensed physician assistant services
- Services and supplies incident to the services rendered by the provider
- Practitioner Pharmacy services
- Practitioner Laboratory services
- Practitioner Diagnostic services
- Therapies (i.e., Occupational, Physical, and Speech, Hearing, and Language Evaluation and Therapy) rendered under the physician's identification number

SERVICES TO MEDICAID HEALTH PLAN (MHP) ENROLLEES

For Medicaid-covered services provided to Medicaid beneficiaries enrolled in a Medicaid Health Plan, the THC shall receive payments only from the MHP based on their agreement or contract with the MHP.

SERVICES TO DUAL ELIGIBLES

For dual eligible Medicare and Medicaid beneficiaries, THCs will receive any amount due after the Medicare payment up to the allowable Medicare limit, i.e., deductible and co-insurance**.**

PHYSICIAN SERVICES

Physician services must comply with coverages and limitations published in the Michigan Department of Community Health (DCH) Practitioner Manual in Chapter III and in DCH Bulletins.

PODIATRIST SERVICES

Podiatrist services must comply with coverages and limitations published in the DCH Podiatry Section in Chapter III of the DCH Practitioner Manual and in DCH Bulletins.

CHIROPRACTOR SERVICES

Chiropractor services must comply with coverages and limitations published in the DCH Chiropractor Manual, in Chapter III of the DCH Practitioner Manual, and in DCH Bulletins.

CERTIFIED NURSE PRACTITIONER SERVICES

Certified Nurse Practitioner services must comply with coverages and limitations published in the Nurse Practitioner portion of the DCH Practitioner Manual and in DCH Bulletins.

CERTIFIED NURSE-MIDWIFE SERVICES

Certified Nurse-Midwife services must comply with coverages and limitations published in the Nurse-Midwife portion of the DCH Practitioner Manual and in DCH Bulletins.

LICENSED PHYSICIAN ASSISTANT SERVICES

Licensed physician assistant (PA) services must comply with coverages and limitations published in Chapter III of the DCH Practitioner Manual and in DCH Bulletins. LPA services are billed under a supervising physician Medicaid identification number.

PRACTITIONER PHARMACY SERVICES

Chapter III of the DCH Practitioner Manual explains the Medicaid pharmacy benefit. Pharmacy services billed under the practitioner Medicaid identification number are included in the encounter rate but do not count as an encounter.

Under the THC MOA, this benefit does not include drugs provided by a pharmacy (provider type 50). As a pharmacy provider, the Tribal Health Center may continue to bill prescription claims to the pharmacy benefit manager. Effective for dates of service on and after July 5, 2000, the Department contracted with a pharmacy benefit manager that processes fee-for-service pharmacy claims for Medicaid. The pharmacy benefit manager enrolls new pharmacies. Refer to DCH Pharmacy Bulletins for an explanation of coverages and limitations.

PRACTITIONER LABORATORY SERVICES

Chapter III of the DCH Practitioner Manual explains the Medicaid laboratory benefit. Laboratory services billed under the practitioner's Medicaid identification number are included in the encounter rate but do not count as an encounter.

The THC must **not** bill for any services rendered by a laboratory provider or an outside laboratory's employees performing tests. Refer to Chapter III of the DCH Practitioner Manual for an explanation of coverages and limitations.

The THC benefit does **not** include laboratory tests provided by a laboratory (provider type 16). These services can be billed to DCH separately as a laboratory provider.

PRACTITIONER DIAGNOSTIC SERVICES

Diagnostic testing performed as part of the office visit must be directly related to the presenting condition and substantiated in the medical records. Diagnostic testing is **not** billed separately from an office visit. Examples of diagnostic tests are allergy testing, audiologic function tests, x-rays, and EKGs. Refer to Chapter III in the DCH Practitioner Manual and in DCH Bulletins for an explanation of coverages and limitations.

THERAPIES

Physical therapy, speech pathology, and occupational therapy are covered when performed at the THCs. Refer to Chapter III in the DCH Practitioner Manual and in DCH Bulletins for an explanation of coverages and limitations. Therapies reimbursed under the physician's Medicaid identification number are **not** billed separately if performed on the same date of service. Therapies can be billed on days when an office visit is not scheduled.

CERTIFICATION

Tribal Health Centers (THCs) wishing to provide Maternal Support Services (MSS) and/or Infant Support Services (ISS) must be certified through the Department's Division of Family and Community Health. See Section 18 for contact information.

MSS/ISS SERVICES

The THC provision of MSS/ISS services must be in accordance with the Michigan Department of Community Health policy for those services.

SUBCONTRACTING

If the THC subcontracts any of the MSS/ISS services, no duplicate billing is allowed from providers.

CHILDBIRTH AND PARENTING CLASSES

Classes provided by the THCs may be billed directly to the Department in accordance with MSS/ISS policy. Childbirth and parenting classes provided by an outpatient hospital clinic must be billed directly to the Department by the outpatient hospital clinic. The service may only be billed one time per beneficiary per pregnancy. If the classes are provided to the public for free, the THC must not bill the Department.

TRANSPORTATION

Transportation is not billed as a THC service. Instead, transportation may be billed directly to the Department in accordance with the MSS/ISS application and the MSS/ISS manual instructions.

NON-COVERED MSS/ISS SERVICES

The following are non-covered MSS/ISS services under the THC MOA:

- Lactation consultation
- Hospital visit
- Home visits for purposes other than MSS/ISS services

COVERED SERVICES

Tribal Health Center dental services are covered if provided at the Tribal Health Center. The dental services must comply with coverages and limitations published in Chapter III of the DCH Dental Manual.

UNDER AGE 21 AND AGE 21 AND OVER

The limitations in dental benefits under age 21 and age 21 and over are detailed in the DCH Dental Manual, Procedure Codes Appendix.

HEALTHY KIDS DENTAL PROGRAM

For Medicaid-covered services provided for Medicaid beneficiaries enrolled in the Healthy Kids Dental Program administered by Delta Dental Plan of Michigan, the THC shall receive payments only from Delta Dental Plan of Michigan based on its fee schedule.

COMPLETE AND PARTIAL DENTURES

The complete and partial denture service encounters are limited to four (4) visits and include all necessary adjustments within six months of insertion.

COVERED SERVICES

Tribal Health Center vision services are covered if provided at the Tribal Health Center. Vision providers are ophthalmologists and optometrists. The vision services provided by an ophthalmologist or optometrist must comply with coverages and limitations published in the DCH Vision Manual.

VISION CONTRACTOR

DCH contracts for the volume purchase of frames and lenses from an optical house (Provider Type 95). The types of frames and lenses that the vision provider must order through the contractor are listed in the DCH Vision Manual.

PRIOR AUTHORIZATION

Some vision services require prior authorization before they can be rendered. The DCH Vision Manual will indicate if a service requires prior authorization by an asterisk (*) next to the procedure code and procedures used to obtain prior authorization. The Vision Services Approval/Order form (DCH-0893) is used to obtain prior authorization.

MEDICARE

Medicaid will reimburse the vision provider for the co-insurance and deductible amounts on the Medicare-approved claims up to Medicaid's reimbursement limit.

SUBSTANCE ABUSE

Substance abuse services provided by physicians, clinical social workers, clinical psychologists, and certified alcohol clinicians are reimbursed. These services may include:

- Initial Complete Physical
- Medical History
- Social History
- Psychiatric History
- Individual, Family, and Group Counseling
- Outpatient Substance Abuse Treatment
- Intensive Outpatient Counseling
- Therapies (i.e., Psychiatric occupational/recreational therapy) in a substance abuse treatment center are a covered service provided they are active, restorative, and designed to prevent, correct, or compensate for a specific medical problem.
- Methodone and Levomethadyl Acetate HCL (LAAM)

REQUIREMENTS FOR PARTICIPATION

All programs must meet the following criteria:

- licensed by the Michigan Department of Consumer and Industry Services to provide each type of substance abuse service, and
- accredited as an alcohol and/or drug abuse program by one of the five national accreditation bodies: Joint Commission on Accreditation of Health Care Organizations, Commission on Accreditation of Rehabilitation Facilities (CARF), American Osteopathic Association, Council on Accreditation of Services for Families and Children, or National Committee on Quality Assurance.

AUTHORIZATION

Services provided at the Tribal Health Center (THC) to American Indian and Alaskan Native beneficiaries do not require the authorization of Coordinating Agencies (CAs).

AMERICAN INDIAN AND ALASKAN NATIVE SERVICES

American Indians and Alaskan Natives who are Medicaid beneficiaries can obtain substance abuse services directly from the Tribal Health Center. These services are not included in the Michigan Department of Community Health's (Department) "1915(b) Waiver for Medicaid Prepaid Specialty Mental Health and Substance Abuse Services." THCs should contact their regional Substance Abuse Coordinating Agency to determine the appropriate process for accessing other funding sources or other service providers for those individuals requiring substance abuse services not covered by the THC.

NON-NATIVE AMERICAN SERVICES

The Department of Community Health's Prepaid Health Plan for Specialty Developmental Disabilities, Mental Health and Substance Abuse services assumes responsibility for certifying admission/continuing stays and reimbursing claims for the specialized substance abuse services of non-native Americans. Refer to the Michigan Department of Community Health's Bulletins (e.g., DCH 98-09) for policies and procedures regarding the "Prepaid Specialized Substance Abuse Program for Medicaid Beneficiaries." Non-native American substance abuse services must **not** be billed under CPT and HCPCS codes.

SERVICE LIMITS

Tribal Health Centers may exceed the substance abuse treatment limits for American Indian and Alaskan Native beneficiaries as long as the medical record and plan of care documents the medical necessity.

NON-COVERED SERVICES

Services that are **not** the responsibility of the Tribal Health Center are as follows:

- Emergency and Non-Emergency Transportation
- Initial Emergency Screening and Medical Stabilization
- Acute medical detoxification services
- Medications prescribed in the management or treatment of methadone and LAAM
- Room and Board

MENTAL HEALTH

Mental health services provided by physicians, clinical social workers, and clinical psychologists are reimbursed. These services may include:

- Health Assessment
- Psychiatric Evaluation
- Psychological Testing
- All Other Assessments and Testing
- Case Management
- Child Therapy
- Crisis Interventions
- Crisis Residential Services
- Intensive Crisis Stabilization Services
- Individual Psychotherapy
- Family Psychotherapy
- Group Psychotherapy
- Interpretation or Explanation of Data to Family
- Medication Administration
- Medication Review
- Therapies (i.e., Psychiatric occupational/recreational therapy) in a mental health treatment center are a covered service provided they are active, restorative, and designed to prevent, correct, or compensate for a specific medical problem.

NON-ENROLLED PROVIDERS

Professional services provided by social workers and psychologists are reimbursed. See billing instructions (Section 4, page 4) for services provided by non-enrolled providers.

AUTHORIZATION

Services provided at the Tribal Health Center (THC) to American Indian and Alaska Native beneficiaries do not require the authorization of Community Mental Health Services Programs.

AMERICAN INDIAN AND ALASKAN NATIVE SERVICES

American Indians and Alaskan Natives who are Medicaid beneficiaries can obtain mental health services directly from the Tribal Health Center. Tribal Health Center services are not included in the Michigan Department of Community Health's (Department) "1915(b) Waiver for Medicaid Prepaid Specialty Mental Health and Substance Abuse Services." THCs may refer tribal members to the Community Mental Health Services Program for mental health services not provided at the Tribal Health Center.

NON-NATIVE AMERICAN SERVICES

Community Mental Health Services Programs (CMHSPs) assume responsibility for community-based mental health and developmental disability services through the Medicaid Program for non-native Americans. Refer to the Michigan Department of Community Health's Bulletins (e.g. CMHSP 98-09) for policies and procedures. Non-native American mental health services must **not** be billed under CPT or HCPCS codes.

NON-COVERED SERVICES

Services that are **not** the responsibility of the Tribal Health Center are as follows:

- Mental Health Home-Based Services
- Nursing Home Mental Health Monitoring
- Emergency and Non-Emergency Transportation

PLACE OF SERVICE

Only Tribal Health Center (THC) services that are provided to beneficiaries at the center are reimbursed at the THC encounter rate. An exception is a home visit for Maternal Support Services and Infant Support Services.

EXCLUDED SERVICES

Excluded services are Medicaid-covered physician services that are excluded from the Tribal Health Center Memorandum of Agreement benefit because the services are not provided at the Center. These services must be billed to DCH using the appropriate place of service on the appropriate claim form under the physician's Medicaid identification number.

Excluded services must comply with the coverages and limitations published in Chapter III of the DCH Practitioner Manual and in DCH Bulletins. Services billed to DCH are subject to audit and verifications.

ENCOUNTER DEFINITION

A visit is a face-to-face contact at the THC between a Medicaid beneficiary and the provider of health care services who exercises independent judgment in the provision of Medicaid-covered services. The THC provider may be credited with no more than one face-to-face visit with a given beneficiary per day, except when the beneficiary, after the first visit, suffers a separate or different illness or injury requiring additional diagnosis or treatment.

For a service to be defined as a visit, the Medicaid-covered service must be recorded in the patient's record.

MEDICAID HEALTH PLAN ENROLLEES

Services provided to Medicaid Health Plan enrollees must not be billed as an encounter.

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BILLING TRIBAL HEALTH CENTER SERVICES

The Tribal Health Center (THC) MOA services are billed on the HCFA 1500 claim form for paper professional claims or the National Electronic Data Interchange Transaction Set Health Care Claim Professional 837 ASC X12N version 3051 or the Michigan Medicaid Interim version 4010 (not HIPAA compliant) for electronic claims. THCs must refer to Chapter IV (Billing & Reimbursement for Health Care Professionals) of their Medicaid Provider Manual; Vision Manual, Chapter III; and Medicaid Policy Bulletins (e.g., MSA 01-09, MSA 01-23) for information needed to submit professional claims to the Department of Community Health (DCH) for Medicaid, as well as information about how DCH processes claims and notifies the THC of its actions.

DCH STRONGLY ENCOURAGES ELECTRONIC SUBMISSION OF CLAIMS.

The Michigan Department of Community Health (Department) approved claims will be subject to audit and verifications. Evidence of misuse of services will be forwarded to the Attorney General's Health Care Fraud Division for investigation.

COORDINATION OF BENEFITS

It is the provider's responsibility to question the beneficiary as to the availability of Medicare and other insurance coverage prior to the provision of a service. Providers must bill third party payors and receive payment to the fullest extent possible before billing the Department. Private health care coverage and accident insurance, including coverage held by, or on behalf of, a Medicaid beneficiary is considered primary and must be billed according to the rules of the specific commercial plan.

The Department is not liable for payment of services that would have been covered by the private payer if applicable rules of that private plan had been followed. The beneficiary must seek care from network providers and authorization or referrals must be obtained as required. If the provider does not participate with the commercial carrier, the provider is expected to refer the beneficiary to a participating provider.

Some private commercial managed care plans involve a capitation rate and fixed co-pay amount. In this instance, it is impossible to determine a specific other insurance payment. The Department will pay a fixed co-pay amount up to our maximum allowable fee for the service.

OTHER INSURANCE AND COVERAGE PAYMENTS

All other insurance payments received for services rendered to a Medicaid beneficiary must be reported on the HCFA 1500 or Michigan Medicaid interim version 4010. Even if the other insurance payment for a specific service exceeds the amount the Program would have paid, the THC must still bill the fee-for-service procedure code.

MEDICARE AND MEDICAID CLAIMS

If a Medicaid beneficiary has Medicare and Medicaid, the THC must follow the billing instructions in Chapter IV (Billing & Reimbursement), Third Party Billing for Medicare. Even if the Medicare payment exceeds the DCH fee screen, the THC must still bill the fee-for-service procedure code.

PAYOR OF LAST RESORT

The Indian Health Service is the payor of last resort for persons defined as eligible for contract health services under the regulations in 42 CFR, Part 36a, Subpart G, Section 36.61, notwithstanding any State or local law or regulation to the contrary.

CO-PAYMENTS

Medicaid co-payments for chiropractic, dental, podiatry, and vision services are waived under the Tribal Health Center benefit. (Services requiring co-payment are listed in Chapter I, page 21 of the Medicaid Provider manuals.)

BILLING LIMITATION

The same billing limitation explained in Chapter I of the Medicaid Provider manuals pertaining to claim submission is required of encounters.

PLACE OF SERVICE

Tribal Health Center MOA services must be billed with a place of service 07 except for Maternal and Infant Support Services (MSS/ISS). MSS/ISS may be billed with a place of service 12. All other place of services will be reimbursed at fee-for-service rates only.

UNLISTED EVALUATION AND MANAGEMENT SERVICES (99499)

In the rare circumstance that more than one face-to-face encounter with a given beneficiary per day occurs, bill procedure code 99499 for the second encounter. In Remarks, list the diagnosis and procedure code billed for the earlier encounter. The remarks must support DCH approval of a second encounter for a separate or different illness or injury requiring additional diagnosis or treatment. Under the Tribal MOA, the use of procedure code 99499 will be limited to this situation and manually reviewed for policy compliance.

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ADA VERSION 2000

THCs must submit the American Dental Association (ADA) version 2000 claim form to the Medicaid Program for reimbursement. Claims may be submitted either electronically or by paper. THCs must refer to the DCH Dental Manual, Chapter IV, for information regarding prior authorization instructions, paper claims, and electronic billing.

THCs may purchase the ADA Version 2000 claim form directly from the American Dental Association or through ADA-approved vendors. The ADA claim forms will not be supplied by the Medicaid Program.

ELECTRONIC VERSION

Dental providers interested in submitting claims electronically should contact the Automated Billing Unit via e-mail at AutomatedBilling@Michigan.gov for further information on electronic claims and a listing of approved service vendors.

GLOBAL DENTAL PACKAGES

Global fees reimburse a package of services and are billed one time only, even though the beneficiary has multiple encounters to complete the follow-up work, e.g., complete or partial dentures. After billing the appropriate denture procedure code for the initial visit, bill D5899 for the follow-up care. In the Comment Record (004) of the ADA form, place the remark that the service is a denture follow-up visit under the THC MOA.

TRIBAL HEALTH CENTER ENCOUNTER RATE

The Tribal Health Center per visit outpatient rate will be determined by the Indian Health Service in accordance with the annual Federal Register notice.

SERVICES BUNDLED IN THE ENCOUNTER

Reimbursement for all ancillary Medicaid services, e.g., labs, x-rays, injections, etc., are bundled under the encounter code and cannot be billed as a separate encounter. These ancillary services are best described as the services included in the physician's office visit. For example, lab services are billed under the physician's Medicaid Identification number.

Ancillary services provided at another facility are not bundled under the encounter code. For example, services provided by the local hospital are not included in the encounter code.

QUARTERLY PAYMENTS

Quarterly payments will be made to the THC at the beginning of each quarter. The payment will be based on an estimate of the difference between the amount the THC will receive for Medicaid services during the year and the amount due the center based on the THC rate.

ANNUAL RECONCILIATION

An annual reconciliation will ensure that reimbursement will be at the rates agreed to in the Tribal Health Center Memorandum of Agreement.

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MEDICAID PROVIDER APPEALS

A Medicaid provider has the right to appeal any adverse action taken by the Department of Community Health unless that adverse action resulted from an action over which the DCH had no control (e.g., Medicare termination, license revocation). The appeal process is outlined in the DCH Medicaid Provider manuals, Chapter I, and in the Department's "Medicaid Provider Reviews and Hearings", rules R400.3401 through R400.3424, filed with the Secretary of State on March 7, 1978. Any questions regarding this appeal process should be directed to the Administrative Tribunal at (517) 335-9384.

Purpose

The purpose of this Memorandum of Agreement (MOA) is to establish a funding mechanism for a Tribal Health Center (THC) serving Medicaid beneficiaries. Participating Tribal Health Centers are eligible for an all inclusive encounter rate determined by the Health Care Financing Administration (HCFA), effective for dates of service January 1, 1999 and after. Both parties to this MOA agree that the funding provided through this mechanism satisfies the State of Michigan's responsibility to provide Tribal Health Centers with reasonable full-cost reimbursement for services provided to Medicaid beneficiaries not in managed care. The State of Michigan has no additional responsibility to cost settle or provide supplemental payments to the THCs for those services during the period of this agreement.

Entry into the Medicaid Program under the Indian Health Service (IHS) MOA

A signed MOA by the Department of Community Health (Department) and the THC is sufficient to receive the THC encounter rate for THC visits. Centers must bill THC code 300400 for American Indians and Alaskan Natives to receive the encounter rate. Centers must bill the THC code 300401 for Medicaid beneficiaries who are not American Indians or Alaskan Natives. For dual Medicare- and Medicaid-eligible beneficiaries, Centers must bill the THC code 300402. THCs that choose to sign the MOA **must not** bill any fee-for-service codes other than those noted above after signing this agreement.

THC Encounter Rate

For Medicaid fee-for-service enrollees, THCs will receive the encounter rate determined by the Indian Health Service in accordance with the Federal Register notice. Changes in rate are for the calendar year and will be retroactive to the beginning of the year. For Medicaid-covered services provided for Medicaid beneficiaries enrolled in a Medicaid Health Plan, the THC shall receive payments only from the QHP based on their agreement/contract with the QHP. Dual eligible Medicare and Medicaid beneficiaries not in managed care will receive any amount due after the Medicare payment up to the allowable Medicare limit, i.e., deductible and co-insurance**.** For dual eligibles enrolled in the QHP, the Medicaid amounts are paid by each QHP for its enrollees**.**

Native American Request for Exception from Managed Care

American Indians or Alaskan Natives may request an exception from managed care.

Definition of a THC Visit

A visit is a face-to-face contact within the THC between a Medicaid enrollee and the provider of health care services who exercises independent judgment in the provision of Medicaid-covered services. The THC provider may be credited with no more than one face-to-face visit with a given beneficiary per day, except when the beneficiary, after the first visit, suffers a separate or different illness or injury requiring additional diagnosis or treatment.

Reimbursement for all ancillary Medicaid services (e.g., labs, x-rays, injections, etc.) is bundled under the encounter code and cannot be billed as a separate encounter**.**

For a service to be defined as a visit, the Medicaid-covered service must be recorded in the patient's record.

Medicaid Cost Report under an MOA

If the THC elects to sign the MOA, it will not be necessary to file a Medicaid cost report.

Settlement of THC with an IHS MOA

The THC must follow the DCH All Provider Manual, Chapter I, Billing Limitation Requirements to receive Medicaid reimbursement. In the event that the THC encounter rate is published retroactively in the Federal Register, the THC will receive an adjustment for Medicaid revenue due to the THC at the end of the calendar year in which the rate was published. For calendar year 1999 services, DCH will retroactively settle the THCs to the THC encounter rate.

Statutory Authorization

The Department's payment of funds in any given State of Michigan fiscal year for purposes of this MOA is subject to, and conditional upon, the availability of funds for such purposes being federal and/or state funds. No commitment is made by the Department to continue or expand such activities. If funds to enable the State to effect continued payment under this MOA are not appropriated or otherwise made available, the State shall have the right to terminate this MOA without penalty at the end of the last period for which funds have been appropriated, or otherwise made available, by giving written notice of termination to the THC. The Department shall give the THC written notice of such non-appropriation within sixty (60) days after it receives notice of such non-appropriation.

Cancellation

The Department may cancel the MOA without further liability to the State, its departments, divisions, agencies, sections, commissions, officers, agents and employees by giving the THC written notice of such cancellation sixty (60) days prior to the date of cancellation. In the event federal or state law determines that this agreement is invalid, this MOA will be considered abrogated for the period of disallowance.

The Tribal Health Center may cancel the MOA by furnishing the Department with written notice of such cancellation sixty (60) days prior to the date of cancellation. The date of cancellation shall be the last day of a calendar month.

In the event that this MOA is cancelled voluntarily before the end of a fiscal year, the THC will receive the THC encounter rate up to the date of cancellation.

Effective Date

The payment methodology specified in this MOA is effective for services provided on or after January 1, 1999. If HCFA provides written approval that full federal funding will be available to the Department to provide the THC encounter rate prior to January 1, 1999, then the Department will reimburse the THCs at the THC encounter rate for Medicaid-covered services provided on or after July 11, 1996.

_____
Robert M. Smedes,
Deputy Director for
Medical Services Administration

_____
Date

_____
Tribal
Representative

_____
Date

Billing problems regarding the Tribal Health Center encounter codes may be directed to the Provider Inquiry Help Line at 1-800-292-2550.

Any lengthy or unusual problems may be mailed to Research and Analysis. Research and Analysis researches and responds to written and email inquires relating to billing and reimbursement problems.

MAIL: PROGRAM SUPPORT UNIT
MEDICAL SERVICES ADMINISTRATION
ATT: RESEARCH AND ANALYSIS
PO BOX 30479
LANSING MI 48909-7979

EMAIL: providersupport@michigan.gov

Any Tribal Health Center encounter rate questions may be directed to the Hospital & Health Plan Reimbursement Division. The Hospital & Health Plan Reimbursement Division numbers are (517) 335-5330 and fax (517) 241-7408. Written inquiries regarding rates may be mailed to:

MAIL: HOSPITAL & HEALTH PLAN REIMBURSEMENT DIVISION
BUDGET AND FINANCE
PO BOX 30479
LANSING MI 48909-7979

The Medicaid Provider Enrollment Unit maintains provider enrollment information. Provider enrollment inquires may be directed to Provider Enrollment at (517) 335-5492 and fax (517) 241-8233.

MAIL: PROVIDER ENROLLMENT
BUDGET AND FINANCE
PO BOX 30238
LANSING MI 48909

Applications for certification as Maternal Support Services and Infant Support Services may be obtained from the Division of Family and Community Health at (517) 335-8980.

MAIL: COMMUNITY LIVING, CHILDREN & FAMILIES ADMINISTRATION
DIVISION OF FAMILY AND COMMUNITY HEALTH
3423 NORTH MARTIN LUTHER KING, JR. BLVD.
PO BOX 30195
LANSING MI 48909