

2. When the SMA is Not Required to Enroll ORPs

a. ORPs Ineligible to Enroll in a Particular State's Medicaid Program

To the extent a provider type is not eligible to enroll in a State's Medicaid Program, the SMA is not required to begin to enroll that provider type for purposes of complying with §§ 455.410(b) or 455.440. For example, in some states, professionals, such as residents, function under a scope of practice that authorizes them to order or refer, but they are not eligible to enroll in Medicaid.

States must determine which NPI number should be applied to the claim for payment if such providers order or refer services for Medicaid or CHIP beneficiaries, and the SMA should notify providers of its requirements.

In a situation where an ordering or referring physician or other professional is eligible to enroll in the state's Medicaid Program, it is not permissible to submit claims with an organizational NPI appearing in place of that individual's NPI. For example, if a hospital submits a claim with the hospital's NPI in the ordering/referring field and the services were ordered or referred by a provider type that is eligible to enroll in the state's Medicaid Program, the claim is not compliant under § 455.440 and must be denied.

b. Medicaid Participant Secures Order or Referral Prior to Participation

To the extent an order or referral is made to an individual prior to that individual's eligibility to participate in Medicaid, such order or referral may be fulfilled and the pursuant claim is not required to be denied based upon the requirements for the ORP to be enrolled in Medicaid and the individual ORP's NPI to appear on the claim. (76 FR 5905)

c. Services Ordered or Referred by Out-of-State Professional

Under federal regulations, State Medicaid agencies (SMAs) must require all ordering or referring physicians or other professionals (ORPs) to be enrolled as participating providers (see section 1.5.1.B.). In addition, all claims for payment for items and services that were ordered or referred must contain the National Provider Identifier (NPI) of the physician or other professional who ordered or referred the item or service (see section 1.6.A.). The requirements to enroll ORPs and deny claims that do not have the NPI of an enrolled ORP applies equally to in-state and to out-of-state ORPs.

However, for claims representing care or items (including, but not limited to, prescription drugs) provided to a participant pursuant to the order or referral made by an out-of-state ORP,

the SMA may pay such claims where the ORP is not enrolled in the reimbursing state's Medicaid plan, in limited circumstances. Such claims qualify for FFP only to the extent that they are otherwise payable and meet all of the following criteria:

Based upon an order or referral, an item or service is furnished by:

- An institutional provider at an out-of-state practice location– i.e., located outside the geographical boundaries of the reimbursing state's Medicaid plan, or
 - An individual practitioner in an institutional setting at an out-of-state practice location– i.e., located outside the geographical boundaries of the reimbursing state's Medicaid plan, or
 - A pharmacy, pursuant to an order (i.e., prescription) written by an individual practitioner in an institutional setting at an out-of-state practice location– i.e., located outside the geographical boundaries of the reimbursing state's Medicaid plan
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- The NPI of the ORP is represented on the claim;
 - The ORP is enrolled and in an "approved" status in Medicare or in another state's Medicaid plan; and
 - The claim represents services provided
 - The claim represents services covered under the state plan
 - The claim represents either - A single instance of care or order over a 180 day period, or multiple instances of care provided to a single participant, over a 180 day period.

For any instances of care that exceed the thresholds above, the SMA must enroll the ORP in the state Medicaid plan for subsequent claims to be FFP-eligible.

EXAMPLE: A beneficiary receives services from an out-of-state emergency room or hospital, and a physician or other professional at the emergency room or hospital writes a prescription upon discharge. That physician/professional must be enrolled (either as a rendering provider or as an ordering or referring one) in the Medicaid Program in which the beneficiary is enrolled in order for the beneficiary's State Medicaid Plan to cover the ordered/referred service/item.

Otherwise, the claim is eligible for FFP only to the extent the following conditions are met: the NPI of the ORP is listed on the prescription; the ORP, if they were to enroll in the reimbursing state Medicaid Plan, would enroll with an out of state practice location; the ORP is enrolled in Medicare or another state's Medicaid plan in an "approved" status; and there has not been more than one instance of payment made (irrespective of eligibility of payments for FFP) representing a claim for services ordered or referred by that provider's NPI over a 180 day period, or, if there are multiple instances of payment made for benefits ordered or referred by that provider's NPI over a 180 day period, that the payment is for a single beneficiary over a 180 day period.