From: Petre, Lori
Sent: Tuesday, July 28, 2015 11:40 AM
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Cc: Silver, Shelli; Burns, Victoria
Subject: MIHS FQHC LookAlike Challenges and Proposed Changes to Address
Importance: High

As you know we have been continuing to work with MIHS on their unique issues associated with the 4/1/2015 implementation of the FQHC/RHC PPS payment process.

Over the past several months we have worked collectively with MIHS on several proposed solutions, tested those options most consistent with the FQHC/RHC objectives, and have determined a proposed course of action to move the process forward. Please note that MIHS has unique concerns with Medicaid only vs. Medicaid/Medicare Dual claims and therefore the handling of each will differ.

1. For Medicaid Only Claims

Approach:

- MIHS continue to place certain charges as professional (1500) and certain charges as facility (UB); they explored several options for suppression of the UB's but to do so would require significant ongoing manual processing on their side
- MIHS forcing the inclusion of the T1015 code on the 1500 as well as the reporting of participating provider information as outlined in the FQHC/RHC Billing requirements
- AHCCCS and MCO's allow the T1015 code to be billed with $0.00 billed charges, but pay at the PPS rate; they again explored several options for inclusion of charges for this line, but it introduced out balance conditions in their financial systems
- MIHS use of the FQHC/RHC assigned NPI as the service provider on both claims along with the optional use of MIHS Billing Provider information
- AHCCCS and the MCO's paying the FQHC/RHC 1500 claim at the PPS rate and the FQHC/RHC UB claim at $0.00 rather than denying it; this again is necessary to ensure that their financial systems retain balance conditions
- Prior to landing on this proposed solution, we were able to successfully process several example "Medicaid only" claims/encounters you provided on July 8th. And only one two processing challenges/issues were noted:
    - *T1015 has no billed charges therefore no payment is made. Our understanding is that is not possible to include a billed charge for this line equal to the PPS rate per the Billing specification; due to unique balancing issues with MIHS. In this situation the T1015 should pay the PPS rate regardless of billed charges.*
    - *In addition to the required 1500 with the T1015 code for PPS payment, MIHS will need to generate a UB claimed with the FQHC/RHC NPI for facility charges and that needs to be $0.00 paid rather than denied again to facilitate unique balancing issues with MIHS.*

Next Steps:

We need to know from each MCO and need to evaluate on the AHCCCS side what level of effort and timing for getting the noted challenges/issues addressed as outlined ASAP (highlighted above)

2. For Medicare/Medicaid Dual Claims implement the proposed solution discussed.

Approach:

- Continue to process these claims as is done today and reconcile to the PPS payment
- Our understanding is that these will continue to be billed under the MIHS Hospital NPI number, but we would like to explore the ability to somehow identify these as FQHC/RHC related

Next Steps:

We would like to explore the ability to somehow identify these claims for future reporting, etc… as FQHC/RHC related. We will also need to roll this requirement out to the contracted MCO's to ensure their awareness of this agreed upon solution.

Please let us know if you have questions and/or if we should try and meet to discuss. Thanks and have a great day.