

Senate File 231 - Introduced

SENATE FILE _____
BY COMMITTEE ON HUMAN RESOURCES
(SUCCESSOR TO SF 38)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to reimbursing nonparticipating providers under
2 the IowaCare program and creating a nonparticipating provider
3 reimbursement fund.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 1776SV 83
6 pf/nh/14

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1 1 Section 1. NEW SECTION. 249J.24A NONPARTICIPATING
1 2 PROVIDER REIMBURSEMENT PROCEDURE == REIMBURSEMENT FUND.
1 3 1. The department shall seek an amendment to the medical
1 4 assistance waiver for the IowaCare program to allow for
1 5 payment to nonparticipating providers as specified in this
1 6 section. If the amendment is approved, the department shall
1 7 reimburse nonparticipating providers for covered expansion
1 8 population services provided to an expansion population member
1 9 if all of the following conditions are met:
1 10 a. An expansion population member seeks medical care or
1 11 treatment for a covered service from a nonparticipating
1 12 provider and either of the following applies:
1 13 (1) Transfer of the expansion population member to a
1 14 participating provider is not possible because both the
1 15 participating and nonparticipating providers agree that the
1 16 expansion population member is too medically unstable for
1 17 transportation to a participating provider.
1 18 (2) Transfer of the expansion population member to a
1 19 participating provider is not possible due to lack of
1 20 available inpatient capacity.
1 21 b. The request for transfer is a covered expansion
1 22 population benefit.
1 23 2. If the nonparticipating provider meets the requirements
1 24 specified in subsection 1, the nonparticipating provider shall
1 25 be reimbursed for covered expansion population services
1 26 provided to the expansion population member through the
1 27 nonparticipating provider reimbursement fund in accordance
1 28 with the following:
1 29 a. The nonparticipating provider shall request
1 30 reimbursement from the department through an exception to
1 31 policy request as provided in departmental rule. The
1 32 nonparticipating provider shall submit a clean claim to the
1 33 department for reimbursement within twenty days of provision
1 34 of the covered service. The department shall adopt rules
1 35 relating to the format of and the information to be included
2 1 in the request for reimbursement.
2 2 b. The nonparticipating provider shall include in the
2 3 request for reimbursement only clean claims for inpatient
2 4 hospital services provided to the expansion population member
2 5 during the episode of care or treatment following the request
2 6 for transfer as specified in subsection 1.
2 7 c. Reimbursement shall be based on the reimbursement rates
2 8 and policies applicable to the nonparticipating provider under
2 9 the full benefit medical assistance program, subject to the
2 10 availability of funds in the nonparticipating provider
2 11 reimbursement fund and subject to the appropriation of moneys
2 12 in the fund to the department.
2 13 d. The department shall reimburse the nonparticipating
2 14 provider only if the recipient of the services is an expansion
2 15 population member with active eligibility status at the time

2 16 the services are provided.
2 17 3. a. A nonparticipating provider reimbursement fund is
2 18 created in the state treasury under the authority of the
2 19 department. Moneys designated for deposit in the fund that
2 20 are received from sources including but not limited to
2 21 appropriations from the general fund of the state, grants, and
2 22 contributions, shall be deposited in the fund.

2 23 b. Moneys in the fund shall be separate from the general
2 24 fund of the state and shall not be considered part of the
2 25 general fund of the state. The moneys deposited in the fund
2 26 are not subject to section 8.33 and shall not be transferred,
2 27 used, obligated, appropriated, or otherwise encumbered, except
2 28 to provide for the purposes specified in this section.
2 29 Notwithstanding section 12C.7, subsection 2, interest or
2 30 earnings on moneys deposited in the fund shall be credited to
2 31 the fund.

2 32 c. Moneys deposited in the fund shall be used only to
2 33 reimburse nonparticipating providers who provide covered
2 34 services to expansion population members if no other third
2 35 party is liable for reimbursement and as specified in
3 1 subsections 1 and 2.

3 2 d. The department shall attempt to maximize receipt of
3 3 federal matching funds under the medical assistance program
3 4 for covered services provided under this section if such
3 5 attempt does not directly or indirectly limit the federal
3 6 funds available to participating providers.

3 7 4. For the purposes of this section, "nonparticipating
3 8 provider" means a hospital licensed pursuant to chapter 135B
3 9 that is not a member of the expansion population provider
3 10 network as specified in section 249J.7.

3 11 EXPLANATION

3 12 This bill directs the department of human services (DHS) to
3 13 seek an amendment to the medical assistance waiver for the
3 14 IowaCare program to allow for payment to nonparticipating
3 15 providers. The bill defines "nonparticipating provider" as a
3 16 licensed hospital that is not a member of the IowaCare
3 17 participating provider network. If the waiver amendment is
3 18 approved, DHS is to reimburse the nonparticipating provider if
3 19 the nonparticipating provider complies with the requirements
3 20 in the bill that either the IowaCare member is too medically
3 21 unstable to transport to a participating provider or transfer
3 22 of the member is not possible due to lack of available
3 23 inpatient capacity, and the request for transfer is a covered
3 24 IowaCare benefit.

3 25 If the nonparticipating provider meets the requirements,
3 26 the service provided will be reimbursed if the
3 27 nonparticipating provider follows the procedure specified in
3 28 the bill. Reimbursement is based on the reimbursement rates
3 29 and policies applicable to the provider under the full benefit
3 30 medical assistance program subject to the availability of
3 31 funds and subject to appropriation of the funds to the
3 32 department. Reimbursement is only available for services
3 33 provided to an active-status IowaCare member.

3 34 The bill creates a nonparticipating provider reimbursement
3 35 fund separate from the general fund of the state. Moneys in
4 1 the fund are only to be used to reimburse nonparticipating
4 2 providers if no other third party is liable for payment for
4 3 the services provided. The bill also directs DHS to attempt
4 4 to maximize receipt of federal matching funds under the
4 5 medical assistance program for covered services provided under
4 6 the bill if such attempt does not directly or indirectly limit
4 7 the federal funds available to participating providers.

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