



Provider Guidebook

Medicare Advantage



An Anthem Company

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1 Introduction and Guide to Medicare Advantage

1.1 Medicare Program

The Centers for Medicare & Medicaid Services (CMS) administers Medicare, the nation's largest health insurance program. Medicare is a health insurance program for people 65 years of age and older, some disabled people under 65 years of age, and people with End-Stage Renal Disease (permanent kidney failure treated with dialysis or a transplant). Original Medicare is divided into two parts: Hospital Insurance (Part A) and Medical Insurance (Part B). Part A helps pay for care in a hospital, skilled nursing facility, home health care, and hospice care. Part B helps pay doctor bills, outpatient hospital care and other medical services not covered by Part A.

1.2 Part A

Part A is financed by part of the Social Security payroll withholding tax paid by workers and their employers. There is no monthly premium for Part A if the Medicare eligible member or spouse has paid Medicare taxes for at least 10 years, is age 65, and is a citizen or permanent resident of the United States. Certain younger disabled persons and kidney dialysis and transplant patients qualify for premium-free Part A.

When all program requirements are met, Medicare Part A helps pay for medically necessary inpatient care in a hospital or a skilled nursing facility after a hospital stay. Part A also pays for home health and hospice care, and 80% of the approved cost for wheelchairs, hospital beds and other durable medical equipment (DME) supplied under the home health benefit. Coverage is also provided for whole blood or units of packed cells, after the first three pints, when given by a hospital or skilled nursing facility during a covered stay.

1.3 Part B

Medicare Part B pays for many medical services and supplies, including coverage for doctor's bills. Medically necessary services of a doctor are covered no matter where received at home, in the doctor's office, in a clinic, in a nursing home or in a hospital. The Medicare beneficiary pays a monthly premium for Part B coverage. The amount of premium is set annually by CMS. Part B also covers:

- Outpatient hospital services.
- X-rays and laboratory tests.
- Certain ambulance services.
- DME.
- Services of certain specially qualified, nonphysician practitioners.
- Physical and occupational therapy.
- Speech/language pathology services.
- Partial hospitalization for mental health care.
- Mammograms and Pap tests.
- Home Health care if a beneficiary does not have Part A.

1.4 Medicare Advantage Plans

The Balanced Budget Act of 1997 (BBA) established Medicare Part C also referred to as Medicare Advantage (MA). Prior to January 1, 1999, Medicare Health Maintenance Organizations (HMOs) existed

as Medicare Risk or Medicare Cost plans. The *Balanced Budget Act of 1997* was intended to increase the range of alternatives to the traditional fee-for-service program for Medicare beneficiaries. The options included Health Maintenance Organizations (HMOs) and Preferred Provider Organizations (PPOs).

1.5 Medicare HMO

Empire BlueCross (Empire) contracts with a network of hospitals, skilled nursing facilities, home health agencies, doctors and other professionals to provide services to our members. Empire Medicare Advantage HMO members must select a PCP (primary care physician) from those that are part of the plan's network. The PCP is responsible for managing the member's medical care, including admissions to a hospital. The member's PCP is also responsible for referring the member to a specialist. PCPs should refer the member to an in-network specialist and note the referral in the member's chart. PCPs are not required to notify the plan of the referral.

HMO members may have the option to choose a primary care physician (PCP) through a contract PMG (provider medical group) or a PCP directly contracted with Empire under a fee-for-service agreement:

- Members assigned to a PCP through an Independent Practice Association (IPA) or PMG will have an ID card indicating the PCP name and IPA/Group name. Referrals are coordinated through the PMG.
- Members may select a PCP directly contracted with Empire. The member ID card will indicate the assigned PCP and will **not** indicate an IPA/PMG. The PCP coordinates referrals utilizing the Empire Medicare Advantage HMO network. Authorizations are coordinated directly through Empire.

Medicare HMOs have “lock-in” requirements. This means that in order to access benefits, a member is locked into receiving all covered care from doctors, hospitals and other health care providers who are contracted with the plan. In most cases, if a member goes outside the plan for services, neither the plan nor Original Medicare will pay. The member will be responsible for the entire bill. The only exceptions recognized by all Medicare-contracting plans are for emergency services, which a member may receive anywhere in the world; for urgently needed care, which members may receive while temporarily away from the plan's service area; for out-of-area renal dialysis services; and if the service is prior authorized by the plan. Urgent care is also covered inside the service area if the plan's delivery system is temporarily unavailable or inaccessible. When possible, providers should refer HMO members to providers within the network.

1.6 Medicare Local PPO

The Empire local PPO plan is a managed care plan in which members pay less out-of-pocket costs when they use providers who are part of the Empire Medicare Advantage PPO network. Local PPOs are available in select counties within a state. CMS allows the Medicare Advantage plan to select the counties they want to participate in. Empire has a contract with the federal government that allows Empire to administer all Medicare benefits. Medicare Advantage PPO members are strongly encouraged, but not required, to select a PCP. MA PPO members are also not required to obtain a referral for specialty care, but should coordinate with their PCP. Empire Medicare Advantage PPO members can use providers both in and out of the network. Prior Authorization is required for some services.

1.7 Medicare Regional PPO

CMS requires Empire to offer a Regional PPO in all counties within the designated CMS-defined region. A Regional PPO is also a managed care plan in which members pay less out-of-pocket costs when they use providers who are part of the Empire Regional PPO network. Empire Regional PPO members are not required to select a PCP or obtain a referral for specialty care. Members are encouraged to coordinate their care through a PCP. Empire Medicare Advantage PPO members can use providers both in and out of the network. Prior Authorization is required for some services.

1.8 Managed Care Plan Enrollment

Most Medicare beneficiaries are eligible for enrollment in a managed care plan. To enroll, an individual must:

- Have Medicare Parts A and B and continue paying Part B premiums.
- Live in the plan's service area.

The plan must enroll Medicare beneficiaries, including younger disabled Medicare beneficiaries, in the order of application, without health screening. Medicare Advantage plans are required to have an open enrollment period from October 15 through December 7, each year, with a January 1 plan effective date.

Special Election Period

CMS has identified several circumstances under which a person may change Medicare options outside of the annual or initial enrollment periods. For example, there is an SEP for individuals who have Medicare Part A and Part B and receive any type of assistance from the Medicaid program. This includes both "full benefit" dual eligible individuals as well as individuals often referred to as "partial duals" who receive cost sharing assistance under Medicaid (e.g., QMB-only, SLMB-only, etc.) and individuals who qualify for low income subsidy, but who do not receive Medicaid benefits.

This SEP begins the month the individual becomes dually-eligible and exists as long as he or she receives Medicaid benefits; however, there are limits in how often it can be used. This SEP allows an individual to enroll in, or disenroll from, an MA plan once per calendar quarter during the first nine months of the year. This SEP can be used once during each of the following time periods:

- January – March,
- April – June, and
- July – September.

It may not be used in the 4th quarter of the year (October – December).

1.9 Medicare Dual Eligible Special Needs Plans

Dual Eligible SNPs (D-SNPs) enroll beneficiaries who are entitled to both Medicare (Title XVIII) and Medical Assistance from a State Plan under Title XIX (Medicaid), and offer the opportunity of enhanced benefits by combining those available through Medicare and Medicaid. D-SNPs are open to beneficiaries in all Medicaid eligibility categories including: Qualified Medicare Beneficiary without other Medicaid (QMB only), QMB+, Specified Low-Income Medicare Beneficiary without other Medicaid (SLMB only), SLMB+, Qualifying Individual (QI), Other full benefit dual eligible (FBDE) and Qualified Disabled and Working Individual (QDWI).

Although D-SNPs are available to beneficiaries in all Medicaid eligibility categories, D-SNPs may further restrict enrollment to beneficiaries that belong to certain Medicaid eligibility categories. CMS divides D-SNPs into the following two categories according to the types of beneficiaries that the SNP enrolls:

- Medicare zero-cost-sharing D-SNPs
- Medicare non-zero cost-sharing D-SNPs

For additional information on Medicaid Advantage Plus (MAP) please refer to the Empire HealthPlus Medicaid Provider Manual, [NYE_CAID_ProviderManual.pdf \(https://provider.bluedadv.com\)](https://provider.bluedadv.com).

1.10 Medicare Chronic Condition Special Needs Plans

Chronic Condition Special Needs Plans (C-SNPs) restrict enrollment to special needs individuals with specific severe or disabling chronic conditions. C-SNPs focus on monitoring health status, managing chronic diseases, avoiding inappropriate hospitalizations and helping beneficiaries move from high risk to lower risk on the care continuum. CMS has approved 15 SNP-specific chronic conditions for which C-SNPs can target enrollment.

1.11 Empire Individual Medicare Advantage Plans

Below is a link to the Medicare Advantage *Summary of Benefits (SOB)*, *Evidence of Coverage (EOC)* and formularies for Individual Medicare Advantage Products. If the product you are searching for is not on the list below, please call the number on the back of the member's ID card for *EOC*, *SOB*, and formulary information <https://www.empireblue.com/medicareprovider>.

Supplemental Benefits

Our Medicare Advantage HMO and PPO plans may include supplemental benefits. Supplemental benefits are items or services that are not covered under Medicare Part A, Part B or Part D but are covered by the plan in addition to what Medicare covers. Please refer to each plan's benefit materials to locate any supplemental benefit coverage. Most supplemental benefits are required to be rendered by providers within the vendor network associated with that supplemental benefit or they are considered noncovered benefits.

Providers **contracted with the vendor network** associated with that supplemental benefit must bill that vendor directly. Providers **not contracted with the vendor network** to render such a benefit will only be reimbursed or able to bill a member for noncovered services if:

- For an HMO member, you have provided the member with advanced notice of noncoverage. Please note that contracted providers are required to provide a coverage determination for services that are not covered by the member's MA plan. This will ensure that the member will receive a denial of payment and accompanying appeal rights. Per the *Medicare Advantage HMO & PPO Provider Guidebook*, CMS has stated that the use of an *Advanced Beneficiary Notice* or a similar document is not sufficient in many instances with Medicare Advantage members. Therefore, you are required to seek a coverage determination prior to rendering such services.
- For a PPO member, providers notify the member up front that they are not contracted for the Supplemental Benefit and therefore out-of-network cost share will apply.

Providers are encouraged to call the toll free customer service number on the back of the member ID card with any questions around services that may or may not be covered.

1.12 Effective/Termination Date Coincides with a Hospital Stay

If a member's effective date occurs during an inpatient stay in a hospital, Empire is not responsible for any services under Medicare Part A during the inpatient stay. (This provision applies to acute hospital stays only, not to stays in a Skilled Nursing Facility).

Empire is responsible for inpatient hospital services under Part A on the day after the day of discharge from the inpatient stay. All other services, other than inpatient hospital services under Part A, are covered by the Medicare Advantage plan beginning on the effective date of enrollment.

If the member's Medicare Advantage coverage terminates while the members is hospitalized, Empire is responsible for the facility charges until discharge regardless of the reason for the coverage termination.

1.13 Hospice Election for Medicare Advantage (MA) Members

Members may elect Medicare hospice coverage if they have a terminal illness and meet the appropriate guidelines. Hospice care emphasizes supportive services, such as home care and pain control, rather than cure-oriented services. It also includes physical care and counseling.

When a Medicare Advantage (MA) member elects to enroll in the Medicare Hospice Program, Original Medicare assumes responsibility for payment of all hospice-related and all non-hospice related services rendered during the election period. The Medicare Advantage plan is responsible for supplemental services covered under the member's MA plan and coordinates benefits for the original Medicare deductible and coinsurance amounts applied so that it does not exceed the MA plan cost-share amount. CMS released CR6778 to clarify that this change in financial responsibility begins on the day of Hospice Election. Some members may have hospice coverage through their Medicare Advantage plan. Please verify the member's benefits.

The following are submission guidelines for Hospice claims:

Hospice-related Services

- Submit the claim directly to CMS

Nonhospice-related Services

- For Part A services not related to the member's terminal condition, submit the claim to the Medicare Fiscal Intermediary using the condition code 07.
- For Part B services not related to the member's terminal condition, submit the claim to the Medicare Carrier with a "GW" modifier.
- For services rendered for the treatment and management of the terminal illness by an attending physician that is not employed or paid by the hospice provider, submit the claim to the Fiscal Intermediary/Medicare Carrier with a "GV" modifier.

Coordination of Member Cost-Share Amount and Supplemental Benefits

- Submit the claim to the Medicare Advantage Plan with the Original Medicare Explanation of Medicare Benefits (EOMB).

Note: The Empire MA plan will coordinate based on the EOMB in the situation where the MA plan liability if the member cost sharing is less than the MA plan cost-share amount. Please submit the claim with the EOMB for consideration.

For additional detail on hospice coverage and payment guidelines, please refer to 42 CFR 422.320 — Special Rules for Hospice Care. Section (C) outlines the Medicare payment rules for members who have elected hospice coverage. The Medicare Benefit Policy Manual Publication 100-02 Chapter 9 Coverage of Hospice Service Section 20.4 Election by Managed Care Enrollee; Medicare Managed Care Manual Publication 100-16 Chapter 4 Benefits and beneficiary Protections Sections 10.22 – 10.4 and the CMS Change Request 8727 dated May 1, 2014, all-outline payment responsibility and billing requirements for services rendered during a hospice election period. This documentation is available online at the CMS website: <http://cms.gov>.

| Quick reference information | |
|--|--|
| Eligibility, Claim Status, Secure Messaging, single claim entry, online remittance advice and commonly used forms | <ul style="list-style-type: none"> • Online: eligibility, claim status, single claim entry, links to secure messaging, commonly used forms and remit information are all available through the Availity Portal at https://www.availity.com. For questions on access and registration, call Availity Client Services at 1-800-Availity. Availity Client Services is available Monday through Friday, 8 a.m. to 7 p.m. ET (excluding holidays) to answer your registration questions. • Phone: Call the provider service number on the back of the member's ID card |
| Prior Authorization | <ul style="list-style-type: none"> • Interactive Care Reviewer is the preferred method for the submission of prior authorization requests. It offers a streamlined and efficient experience for providers requesting inpatient and outpatient medical. Additionally, providers can use this tool to make inquiries on previously submitted requests regardless of how they were sent (phone, fax, ICR or other online tool). <p>Access ICR under <i>Authorizations and Referrals</i> via the Availity Portal (https://www.availity.com).</p> <p>Phone: 1-833-848-8730 — Follow the prompts to identify yourself as a provider and then follow the prompts to connect to the correct PA team.</p> <p>Fax: 1-866-959-1537</p> <p>The following information is required for a PA:</p> <ul style="list-style-type: none"> • Member ID • Legible name of referring provider • Legible name of individual referred to provider • National provider identifier and/or TIN • Number of visits/services • Date(s) of service • Diagnosis • CPT/HCPCS codes |
| Claims Submission: (Paper) | <p>Submit Medicare Advantage individual paper claims to:</p> <p>Empire P.O. Box 1407 Church Street Station New York, NY 10008-1407</p> |

| Quick reference information | |
|--|--|
| Medicare Advantage Participating Provider Appeals and Disputes | <p>Medicare appeals are determined by the liable party, not by the initiator. Please refer to the denial letter or <i>Explanation of Payment (EOP)</i> issued to determine the correct appeals process.</p> <p>Medicare Participating Provider Standard Appeal: A formal request for review of a previous Empire decision where medical necessity was not established where provider liability was assigned (see original decision letter) for services already rendered.</p> <p>Medicare Complaints, Appeals & Grievances (MCAG) Attention: Medical Necessity Provider Appeals Mailstop: OH0205-A537 4361 Irwin Simpson Road Mason, Ohio 45040</p> <p>Medicare Participating Provider Administrative Pleas: A formal request for review of a previous Empire decision where a determination was made that the participating provider failed to follow administrative rules and provider liability was assigned (see original decision letter), where services have already been rendered.</p> <p>and</p> <p>Medicare Payment Dispute Unit Empire P.O. Box 1407 Church Street Station New York, NY 10008-1407</p> |
| EDI (Electronic Data Interchange) Electronic claim files, 835 (electronic remittance advice), batch eligibility and claim status, prior authorization and medical attachments | <ul style="list-style-type: none"> • Availity EDI Gateway: Location for sending and receiving all EDI transactions • To register to become an Availity EDI trading partner please visit https://www.availity.com/provider-portal-registration • If using third party for your EDI transmissions such as a clearinghouse or billing company, please ensure they have connectivity to the Availity EDI Gateway. • For questions on access and registration, call Availity Client Services at 1-800-Availity. • Phone: Call the provider service number on the back of the member's ID card |

2 PROVIDER PARTICIPATION IN EMPIRE MA PLANS

2.1 Participation Procedures for Physicians and Physician Group(s)

The Empire MA plans must provide for the participation of individual health care professionals through reasonable procedures that include:

- Written notice of rules of participation
- Written notice of material changes in participation rules before they become effective
- Written notice of adverse participation changes, and

- d. Process for appealing adverse physician participation decisions
(These requirements also apply to physicians that are part of a subcontracted network.)

Provider agrees that in no event, including but not limited to nonpayment by plan, insolvency of plan or breach of the Agreement, shall the provider bill, charge, collect a deposit from, seek compensation, remuneration or reimbursement from, or have any recourse against a covered individual or persons other than plan acting on their behalf for covered services provided pursuant to the Agreement. This section does not prohibit the collection of supplemental charges or cost shares on plan's behalf made in accordance with the terms of the covered individual's health benefit plan or amounts due for services that have been correctly identified in advance as a noncovered service, subject to medical coverage criteria, with appropriate disclosure to the covered individual of their financial obligation. This advance notice must satisfy the CMS regulations for Medicare Advantage organizations, which currently requires a provider to provide to covered individuals a coverage determination that includes CMS-mandated appeal rights. Both parties agree that failure to follow the CMS regulations will result in a provider's financial liability.

A provider further agrees that for covered individuals who are dual eligible enrollees for Medicare and Medicaid, that a provider will ensure they will not bill the covered individual for cost sharing that is not the covered individual's responsibility and such covered individuals will not be held liable for Medicare Parts A and B cost sharing when the state is liable for the cost sharing. In addition, provider agrees to accept the plan payment as payment in full or by billing the appropriate state source.

CMS has stated that the use of an *Advanced Beneficiary Notice* or a similar document is not sufficient in many instances with Medicare Advantage members. Providers are encouraged to call the toll-free customer service number with any questions around services that may or may not be covered.

Also see Section 2.12 Billing Members and Balance Billing.

2.2 Digital Transactions and Electronic Data Exchange

Empire has developed a Provider Digital Engagement Supplement with the purpose of establishing standards for increasing the use of secure digital provider tools and applications. These tools and applications are accessible to both participating and nonparticipating providers. This supplement is applicable to commercial, Federal Employee Program, Medicaid and Medicare. The products include medical, behavioral health, dental and vision. To access the digital supplement use this link:

<https://www.empireblue.com/da/inline/pdf/ebccare-0499-20.pdf>

Admission, Discharge and Transfer messaging data

Facilities are asked to provide [Brand] with, at minimum, Health Level Seven International (HL7) Admission, Discharge and Transfer (ADT) messaging data for all members on a near real-time basis, including all standard HL7 message events pertaining to ADT as published by HL7. Facility will transfer the message data segments according to the standard HL7 format, or as requested by [Brand]. On a "near real-time basis" means no later than twenty-four (24) hours from admission, discharge or transfer for any member.

2.3 Submitting Provider demographic data requests and roster submissions through Roster Automation

Use the Provider Data Management (PDM) application on Availity Essentials to verify and initiate care provider demographic change requests for all professional and facility care providers*. **Going forward, the PDM application is now the preferred intake tool for care providers to submit demographic change requests, including submitting roster uploads.** If preferred, Providers may continue to utilize the Provider Enrollment application in Availity Essentials to submit requests to add new practitioners under existing groups for available provider types.

Within the PDM application, Providers have the choice and flexibility to request data updates via the standard PDM experience or by submitting a spreadsheet via a roster upload.

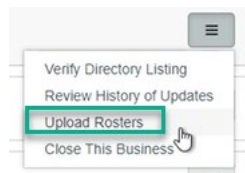
Roster Automation is our new technology solution designed to streamline and automate provider data additions, changes, and terminations that are submitted using a standardized Microsoft Excel document. Any provider, whether an individual provider/practitioner, group, or facility, can use Roster Automation today:**

The resources for this process are listed below and available on our website. Visit **anthem.com**, then under For Providers, select Forms and Guides. The **Roster Automation Rules of Engagement** and **Roster Automation Standard Template** appear under the Digital Tools category.

- **Roster Automation Rules of Engagement:** Is a reference document, available to ensure error-free submissions, driving accurate and more timely updates through automation.
- **Roster Automation Standard Template:** Use this template to submit your information. More detailed instructions on formatting and submission requirements can also be found on the first tab of the Roster Automation Standard Template (*User Reference Guide*).
- Upload your completed roster via the Availity PDM application.

Accessing PDM Application:

Log onto [availity.com](https://www.availity.com) and select **My Providers > Provider Data Management** to begin the attestation process. If submitting a roster, find the TIN/business name for which you want to verify and update information. Before you select the TIN/business name, select the three-bar menu option on the right side of the window, and select **Upload Rosters** (see screen shot below) and follow the prompts.



Availity Administrators will automatically be granted access to PDM. Additional staff may be given access to **Provider Data Management** by an administrator. To find your administrator, go to **My Account Dashboard > My Account > Organization(s) > Administrator Information**.

* Exclusions:

- Behavioral Health providers contracted with Caredon Behavioral Health who will continue to follow the process for demographic requests and/or roster submissions, as outlined by Caredon Behavioral Health.
- Any specific state mandates or requirements for provider demographic updates

** If any roster data updates require credentialing, your submission will be routed appropriately for further action.

2.4 Terminating Participation with Empire Medicare Advantage Plans

In the event a provider wishes to terminate his/her participation in either of the Empire Medicare Advantage networks or Empire terminates a provider for reasons other than cause, a mandatory 60-day notification is required for the termination by either party. Please refer to your contract for specific termination requirements.

Any provider requesting termination of his/her participation should send written notification to the Empire Network Management Department in his/her region. Upon receipt of the termination request, Empire will send a written, CMS-approved notification of the termination to all affected members at least 30 calendar days before the effective date of termination. MA organizations that suspend or terminate a contract due to deficiencies in the quality of care must give notice of that action to the licensing or disciplinary bodies.

2.5 Termination of a Provider Contract with Cause

A Medicare Advantage organization that suspends or terminates an agreement under which the health care professional provides service to the Medicare Advantage enrollees must give the affected provider written notice of the following:

- Reason for the action
- Standards and the profiling data used to evaluate the health care professional when applicable
- Mix of health care professionals the organization needs when applicable
- Affected health care professional's right to appeal the action and the process and timing for requesting a hearing.

The composition of the hearing panel must ensure that the vast majority of the panel members are peers of the affected health care professional. A Medicare Advantage organization that suspends or terminates a contract with a health care professional due to deficiencies in the quality of care must give written notice of that action to licensing, disciplinary, or other appropriate authorities.

2.6 Termination of a Provider Contract without Cause

Any provider requesting termination of his/her participation should send a written notification to the Empire Network Management Department in his/her region. Upon receipt of the termination request,

Empire will send a written CMS-approved notification of the termination to all affected members at least 30 calendar days before the effective date of termination.

2.7 Provider Anti-discrimination Rules

Plans are prohibited from discriminating with respect to reimbursement, participation or indemnification solely on the basis of a provider's licensure or certification as long as the provider is acting within the scope of such licensure or certification. This prohibition does not preclude any of the following:

- Refusal to grant participation to health care professionals in excess of the number necessary to meet the needs of enrollees; a Medicare Advantage (MA) plan may choose to contract with a doctor of medicine that meets the needs of enrollees and does not need to contract with another practitioner who can provide only a discrete subset of physician services.
- Use of different reimbursement amounts for different specialties or within the same specialty
- Implementation of measures designed to maintain quality and control costs consistent with the MA organization's responsibilities.

2.8 Compliance with Medicare Laws, Audits and Record Retention Requirements

Medical records and other health and enrollment information of an enrollee must be handled under established procedures that:

- Safeguard the privacy of any information that identifies a particular enrollee
- Maintain such records and information in a manner that is accurate and timely
- Identify when and to whom enrollee information may be disclosed.

In addition to the obligation to safeguard the privacy of any information that identifies a Medicare Advantage member, Empire and providers are obligated to abide by all federal and state laws regarding confidentiality and disclosure for medical health records (including mental health records) and enrollee information.

First tier and downstream providers must agree to comply with Medicare laws, regulations, and CMS instructions (422.504(I)(4)(v)). First tier and downstream providers must also agree to inspections, evaluations and audits by CMS and/or its designees and to cooperate, assist, and provide information as requested **and** must maintain records for a minimum of 10 years.

For the purposes specified in this section, providers must agree to make available its premises, physical facilities and equipment, records relating to the MA Organization's members, including access to provider's computer and electronic system and any additional relevant information that CMS may require.

Providers acknowledge that failure to allow the Department of Health and Human Services, the Comptroller General or their designees the right to timely access as addressed in this section may result in a \$15,000 noncompliance penalty.

2.9 Denying claims by excluded and precluded providers

Empire monitors appropriate sanction resource lists to identify providers for whom claims should be denied for its Medicare businesses. For pharmacy providers, the PBM shall be primarily responsible for reviewing the OIG and General Services Administration (GSA) sanction lists in their entirety to ensure no

excluded providers are in the pharmacy network. Monthly updates to the sanctions lists are monitored to ensure pharmacies new to the list are not included in the network. For medical providers, Empire Medicare Claims monitors the OIG website on a monthly basis to identify sanctioned providers both to prevent payment for medical claims to ineligible providers, and to support correct claim determination complying with Medicare regulations. Further, Empire Provider Data Management monitors the CMS website on a monthly basis to identify precluded providers and prescribers who are prohibited from receiving payment for Medicare Advantage (MA) items and services or Part D drugs furnished or prescribed to Medicare beneficiaries both to prevent payment and to support correct claims determination complying with Medicare regulations.

2.10 Encounter Data

Each Medicare Advantage Organization must submit to CMS all data necessary to characterize the context and purpose of each encounter between a Medicare enrollee and a provider, supplier, physician, or other practitioner. Provider services must be submitted by the Medicare Advantage Organization for all the services provided by the network and nonnetwork physicians and nonphysician practitioners.

Encounter data shall conform with and include all information necessary for the Medicare Advantage Organization to submit data to CMS in accordance with applicable CMS and federal requirements, including but not limited to all HIPAA requirements that may be imposed upon a Medicare Advantage Organization and provider.

If the provider fails to submit encounter data in the format described in 42 CFR 422.310, then this may result in denials and/or delays in payment of the provider's claims.

In addition, the provider has contractually agreed to submit diagnosis code data that is (based on their best knowledge, information, and belief) accurate, complete, and truthful. By submitting such data, provider is certifying and attesting to the accuracy, completeness, and truthfulness. If requested by the Medicare Advantage Organization, the provider shall execute such further certifications or attestations as to the accuracy, completeness, and truthfulness of such Risk Adjustment Data as the Medicare Advantage Organization may require.

2.11 Encounter Data for Risk Adjustment Purposes

Risk Adjustment and Data Submission

Risk adjustment is the process used by CMS to adjust the payment made to the Medicare Advantage Organization based on the health status of the Medicare Advantage Organization's Medicare Advantage members. Risk adjustment was implemented to pay Medicare Advantage Plans more accurately for the predicted health cost expenditures of members by adjusting payments based on demographics (age and gender) as well as health status. As an MA organization, diagnosis data collected from encounter and claim data is required to be submitted to CMS for purposes of risk adjustment. Because CMS requires that Medicare Advantage Organizations submit "all ICD-10 codes for each beneficiary", Empire also collects diagnosis data from the members' medical records created and maintained by the provider.

Under the CMS risk adjustment model, the Medicare Advantage Organization is permitted to submit diagnosis data from inpatient hospital, outpatient hospital and physician encounters only.

Risk Adjustment Data Validation (RADV) Audits

As part of the risk adjustment process, CMS will perform a RADV audit in order to validate the MA members' diagnosis data that was previously submitted by Medicare Advantage Organizations. These

audits are typically performed once a year. If the Medicare Advantage Organization is selected by CMS to participate in a RADV audit, the Medicare Advantage Organization and the providers that treated the MA members included in the audit will be required to submit medical records to validate the diagnosis data previously submitted.

Other Risk Adjustment Documentation Reviews and Audits

Providers may be required to submit medical records to Empire for purposes of provider documentation and coding reviews and/or audits. Empire may also engage with providers regarding education and/or remediation to support submission of diagnosis code data that is truthful, accurate, and complete based on best knowledge, information, and belief. Based on the outcome of such documentation and coding reviews and/or audits, providers will be asked and are expected to participate in education and/or remediation.

Medicare Risk Adjustment Provider Education

Empire maintains a library of provider education and training regarding, for example, condition-specific information (e.g., congestive heart failure), Medicare Risk Adjustment (MRA) basics, MRA-related obligations, and medical record documentation and diagnosis coding guidance. Providers are encouraged to explore <https://www.empireblue.com/medicareprovider> and access available trainings. Providers should make their best effort to participate in live (in person or virtual) and/or on-demand training and education opportunities when offered.

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ICD-10-CM Codes

CMS requires that physicians currently use the ICD-10-CM Codes (ICD-10 Codes) and coding practices for Medicare Advantage business. In all cases, the medical record documentation must support the ICD-10 Codes selected and substantiate that proper coding guidelines were followed by the provider. For example, in accordance with the guidelines, it is important for physicians to code all conditions that coexist at the time of an encounter and that require or affect patient care or treatment. In addition, coding guidelines require that the provider code to the highest level of specificity which includes fully documenting the patient's diagnosis.

Medical Record Documentation Requirements (Risk Adjustment)

Medical records significantly impact risk adjustment because:

- They are a valuable source of diagnosis data
- They dictate what ICD-10 Code is assigned
- They are used to validate diagnosis data that was previously provided to CMS by the Medicare Advantage Organization.

Because of this, the provider plays an extremely important role in ensuring that the best documentation practices are established.

CMS record documentation requirements include:

- Patient's name and date of birth should appear on all pages of record.
- Patient's condition(s) should be clearly documented in record.

- The documentation must show that the condition was monitored, evaluated, assessed/addressed or treated (MEAT).
- The documentation describing the condition and MEAT must be legible.
- The documentation must be clear, concise, complete and specific.
- When using abbreviations, use standard and appropriate abbreviations. Because some abbreviations have different meanings, use the abbreviation that is appropriate for the context in which it is being used.
- Physician's signature, credentials and date must appear on record and must be legible.

2.12 Medical Record Review Process

Empire has medical record standards that require practitioners to maintain medical records in a manner that is current, organized and facilitates effective and confidential member care and quality review. Empire performs medical record reviews to assess network PCPs in relation to current medical record standards. Empire recognizes the importance of medical record documentation in the delivery and coordination of quality care and requires practitioners to comply with the plans' standards for medical record documentation.

Medical record audits/reviews are performed annually on a sample of randomly chosen PCPs contracted for the plans' managed care products for Medicare Advantage networks. For purposes of medical record audits/reviews, a PCP is defined as family medicine, general medicine, internal medicine, pediatrics and obstetrics/gynecology (when acting as a PCP). A random sampling of these PCPs is identified in the current year and abstracted from the HEDIS[®] data collection process. See "Medical Record Criteria" listed below.

Medical Record Criteria

The medical record will be evaluated for the following criteria:

1. Every page in the record contains the patient name or ID number.
2. Allergies/NKDA and adverse reactions are prominently displayed in a consistent location.
3. All presenting symptom entries are legible, signed, and dated, including phone entries. Dictated notes should be initialed to signify review. Signature sheet for initials are noted.
4. A problem list is maintained and updated for significant illnesses and medical conditions.
5. A medication list or reasonable substitute is maintained and updated for chronic and ongoing medications.
6. History and physical exam identifies appropriate subjective and objective information pertinent to the patient's presenting symptoms, and treatment plan is consistent with findings.
7. Laboratory tests and other studies are ordered, as appropriate, with results noted in the medical record. (The clinical reviewer should see evidence of documentation of appropriate follow-up recommendations and/or noncompliance to care plan).
8. Documentation of advance directive/Living Will/Power of Attorney discussion in a prominent part of the medical record for adult patients who are MA members; and documentation on whether or not the patient has executed an advance directive with a copy to be included in the medical record. (We also encourage providers to maintain documentation of advance directive discussions and copies of executed advance directives in patients' files for other, non-MA members.)
9. Continuity and coordination of care between the PCP, specialty physician (including BH specialty) and/or facilities if there is reference to referral or care provided elsewhere. The clinical reviewer will look for a summary of findings or discharge summary in the medical record. Examples include progress notes/reports from consultants, discharge summary following inpatient care or outpatient surgery, physical therapy reports, and home health nursing provider reports.

10. Age appropriate routine preventive services/risk screenings are consistently noted, (in other words, childhood immunizations, adult immunizations, mammograms, Pap tests, etc., or the refusal by the patient, parent or legal guardian, of such screenings/immunizations in the medical record.

2.13 Federal Funds

Empire has a contract with CMS to perform activities as a Medicare Advantage organization. In performing its duties as a Medicare Advantage organization, Empire receives federal payments and, as such, Empire agrees to comply, and must ensure that all related entities, contractors, and subcontractors paid by Empire to fulfill the Empire obligations under its Medicare Advantage contract with CMS agree to comply, with all federal laws applicable to those entities receiving federal funds. The payments you receive from Empire under this agreement for services rendered to the Empire Medicare Advantage covered individuals are, in whole or in part, from federal funds. Thus, you, as a recipient of said federal funds, agree to comply with the following:

- Title VI of the *Civil Rights Act of 1964* as implemented by regulations at 45 CFR part 84
- The *Age Discrimination Act of 1975* as implemented by regulations at 45 CFR part 91
- *The Americans with Disabilities Act*
- *Rehabilitation Act of 1973*
- Other laws applicable to recipients to federal funds, and
- All other applicable laws and rules.

2.14 Prompt Payment by Medicare Advantage (MA) Organization

Receipt of claims by noncontracted providers will be considered a “clean claim” if it contains all necessary information for the purposes of encounter data requirements and complies with the requirement for a clean claim under fee-for-service Medicare. The MA organization is bound to adhere to the following prompt payment provisions for noncontracted providers:

- Pay 95% of clean claims within 30 days of receipt
- Pay interest on clean claims not paid within 30 days
- All other claims must be approved or denied with 60 calendar days from date of receipt

All contracted providers must include a prompt payment provision in their contract, the terms of which are developed and agreed to by the MA organization and the provider. Claims with incomplete or inaccurate data elements will be returned with written notification of how to correct and resubmit the claim. Claims that need additional information in order to be reprocessed will be suspended and a written request for the specific information will be sent to the provider. If the requested information is not received within the specified time frame, the claim will be closed and the provider will be notified.

The MA organization may not pay, directly or indirectly, on any basis (other than emergency or urgent services) to a physician or other practitioner who has opted out of the Medicare program by filing with the Medicare carrier an affidavit promising to furnish Medicare-covered services to Medicare beneficiaries only through private contracts.

If you would like to review any of the sections referenced in their entirety, please access the CMS website at <https://www.cms.gov>. You are encouraged to review this site periodically to obtain the most current CMS policy and procedures as released.

If you are a contracting provider, please refer to your contract for the prompt payment terms applicable to you.

2.15 Billing Members and Balance Billing

Cost-Sharing

An important protection for beneficiaries when they obtain plan-covered services in an HMO, PPO, or RPPO is that they do not pay more than plan-allowed cost sharing. Providers who are permitted to balance bill must obtain this balance billing from the Medicare Advantage Organization (MAO). Providers may **not** collect any additional payment for cost-sharing obligations from Medicare members other than those specified in a member's plan *Summary of Benefits*.

Cost-Sharing Responsibility for Special Needs Plan Members

Members that are dually eligible for Medicare and for full Medicaid coverage of their Medicare Part A and Part B premiums and other cost sharing (such as deductibles, coinsurance, and copayments) through a Medicare Savings Program, are protected from liability for payment of Medicare premiums, deductible, coinsurance and copayment amounts. Some Medicare Savings Programs cover some but not all of these premium and/or cost sharing amounts. Medicare members who do not receive full Medicare cost sharing assistance under Medicaid may be required to pay some cost sharing amounts for services. In addition, members in the QMB (Qualified Medicare Beneficiary) program have no liability to pay Medicare providers for Medicare Part A or Part B cost sharing. Federal law prohibits providers from charging dually eligible members with full cost sharing coverage and QMBs for Medicare cost sharing for covered Part A and Part B services – even when Medicaid does not fully pay the Medicare cost sharing amount. Providers who balance bill a full eligible dual member or a QMB member are in violation of Federal law and are subject to sanctions. Providers also may not accept dual eligible beneficiaries as 'private pay' in order to bill the patient directly and providers identified as continuing to bill dual eligible beneficiaries inappropriately will be reported to CMS for further action/investigation.

Empire processes the claim for reimbursement when Empire has an arrangement with state Medicaid to pay Medicare cost sharing for dual-eligible members in its Special Needs Plans (SNP). The state retains responsibility for cost sharing when Empire does not have an arrangement with the state Medicaid agency. In states where Empire pays cost sharing, claims will be processed under the member's account for both Medicare and Medicaid benefits. In the states where Empire does not have an arrangement with the state Medicaid agency, providers should bill cost sharing to the appropriate Medicaid carrier or state Medicaid agency for payment once the claim has been processed by Empire. Please check your *EOP* upon claims adjudication.

Note: Under Original Medicare rules, an Original Medicare participating provider (hereinafter referred to as a participating provider) is a provider that signs an agreement with Medicare to always accept assignment. Participating providers may never balance bill because they have agreed to always accept the Medicare allowed amount as payment in full. An Original Medicare nonparticipating provider (hereinafter referred to as a nonparticipating, or non-par, provider) may accept assignment on a case-by-case basis and indicates this by checking affirmatively field 27 on the *CMS-5010* claims form; in such a case, no balance billing is permitted.

The rules governing balance billing as well as the rules governing the MA payment of MA plan, noncontracting and Original Medicare, nonparticipating providers are listed below by type of provider.

Contracted provider

There is no balance billing paid by either the plan or the enrollee.

Noncontracting, Original Medicare, participating provider

There is no balance billing paid by either the plan or the enrollee.

Noncontracting, non-(Medicare)-participating provider

The MAO owes the noncontracting, nonparticipating (non-par) provider the difference between the members' cost-sharing and the Original Medicare limiting charge, which is the maximum amount that Original Medicare requires an MAO to reimburse a provider. The enrollee only pays plan-allowed cost-sharing, which equals:

- The copay amount, if the MAO uses a copay for its cost-sharing; or
- The coinsurance percentage multiplied by the limiting charge, if the MAO uses a coinsurance method for its cost-sharing.
- MA-plan, noncontracting, nonparticipating DME supplier. The MAO owes the noncontracting nonparticipating (non-par) DME supplier the difference between the member's cost-sharing and the DME supplier's bill; the enrollee only pays plan allowed cost-sharing, which equals:
 - The copay amount, if the MAO uses a copay for its cost-sharing; or
 - The coinsurance percentage multiplied by the total provider bill, if the MAO uses a coinsurance method for its cost-sharing. Note that the total provider bill may include permitted balance billing.

Additional useful information on payment requirements by MAOs to non-network providers may be found in the “*MA Payment Guide for Out of Network Payments*,” at

<https://www.cms.gov/Medicare/HealthPlans/MedicareAdvtgSpecRateStats/Downloads/OONPayments.pdf>.

MA plans must clearly communicate to enrollees through the *Evidence of Coverage (EOC)* and *Summary of Benefits (SOB)* their cost-sharing obligations as well as their lack of obligation to pay more than the allowed plan cost-sharing as described above.

If you are a noncontracting, nonparticipating (Medicare) provider, who does not accept Medicare assignment, please contact us if there are any questions regarding your claim(s) payments.

Loss of Medicaid Coverage for Special Needs Plan Members

Empire D-SNP (Dual Eligible Special Needs Plan) members are dual-eligible beneficiaries with both Medicare and Medicaid benefits, or they have Medicare and are considered Qualified Medicare Beneficiaries (QMB or QMB+). Medicare members who do not receive full Medicare cost share assistance under Medicaid may be required to pay cost sharing and copayments for services. Members are encouraged to be cognizant of their eligibility to ensure there is no loss or gap in coverage that would result in liability of cost share.

Note: If the Part A deductible and Part B deductible are not already met at the time of the beneficiary's loss of coverage, the member will be responsible for the extended Length Of Services (LOS) per diem cost share for inpatient facilities and/or any coinsurance on professional and outpatient services

Recovery Look-Back Period

To align with CMS guidelines, 42 CFR § 405.980, 405.986, Empire recovers Medicare Advantage claim overpayments within four years of the claim payment date. In addition, CMS' Medicare Integrity Program employs Recovery Audit Contractors to identify and correct improper Medicare payments. The RAC program allows for a look-back period of up to five years.

2.16 Recoupment/Offset/Adjustment for Overpayments of Contracting Providers

Empire shall be entitled to offset and recoup an amount equal to any overpayments or improper payments made by Empire to a provider against any payments due and payable by Empire to a provider under the *Participating Provider Agreement*. The provider shall voluntarily refund all duplicate or erroneous claim payments regardless of the cause, including, but not limited to, payments for claims where the claim was miscoded, noncompliant with industry standards, or otherwise billed in error, whether or not the billing error was fraudulent, abusive or wasteful. Upon determination by Empire that any recoupment, improper payment, or overpayment is due from a provider, provider must refund the amount to Empire within 60 days of when Empire notifies a provider. If such reimbursement is not received by Empire within the 60 days following the date of such notice, Empire shall be entitled to offset such overpayment against other amounts due and payable by Empire to a provider in accordance with regulatory requirements. Empire reserves the right to employ a third-party collection agency in the event of nonpayment.

2.17 Use of Empire trademark within communications

Empire welcomes you to use our name and logo along with other information, such as how a person may contact us, when you send out communications to you patients. In order to use the Empire name or logo within a communication, a provider must first obtain permission from Empire as noted within your provider contract. Our provider contracts stipulate that any printed materials, including but not limited to letters to plan-covered persons, brochures, advertisements, telemarketing scripts, packaging prepared or produced by a provider or any of his/her/its subcontractors pursuant to this *Participating Provider Agreement* must be submitted to the plan to assure compliance with federal, state, and Blue Cross/Blue Shield Association guidelines. Empire agrees its approval will not be unreasonably withheld or delayed. In order to make this easier on you the provider, we have simplified the submission of the document(s) to Empire for review.

To submit a document for review, please send the copy to your local Provider Relations Consultant. Once the copy is submitted it will be the responsibility of your local Provider Relations Consultant to insure that the internal Empire legal review is completed in a timely manner. Although the Empire legal team will be reviewing the copy, it is your responsibility to comply, and to require any of your subcontractors to comply, with all applicable federal and state laws, regulations, CMS instructions, and marketing activities under this *Participating Provider Agreement*, including but not limited to, the *National Marketing Guide* for Medicare Managed Care Plans, and any requirements for CMS prior approval of materials. We again welcome you to use our name and logo when you send out communications to you patients in an effort to provide information to your patients.

2.18 PPO Provider Network Sharing

Network sharing allows MA PPO members from MA PPO Blue Plans to obtain in-network benefits when traveling or living in the service areas of the MA PPO Plans as long as the member sees a provider contracted with a Blue Medicare Advantage PPO plan in one of the areas listed below. Medicare Advantage PPO shared networks are available in 32 states and one territory:

| | | | | | |
|---------------|------------|------------|--------------|-------------|---------------|
| Alabama | Arkansas | California | Colorado | Connecticut | Florida |
| Georgia | Hawaii | Idaho | Indiana | Kentucky | Maine |
| Massachusetts | Michigan | Missouri | N. Carolina | Nevada | New Hampshire |
| New York | Ohio | Oregon | Pennsylvania | Puerto Rico | S. Carolina |
| Tennessee | Utah | Virginia | Washington | Wisconsin | West Virginia |
| Montana | New Mexico | Oklahoma | | | |

If you are a contracted MA PPO provider with Empire and you see MA PPO members from other Blue Plans, these members will be extended the same contractual access to care and will be reimbursed in accordance with your negotiated rate with your Empire contract. These members will receive in-network benefits in accordance with their member contract.

If you are not a contracted MA PPO provider with Empire and you provide services for any Blue Medicare Advantage members, you will receive the Medicare allowed amount for covered services. For urgent or emergency care, you will be reimbursed at the member's in-network benefit level. Other services will be reimbursed at the out-of-network benefit level.

You can recognize a MA PPO member when their Blue Cross Blue Shield Member ID card has the following logo.



The "MA" in the suitcase indicates a member who is covered under the MA PPO network sharing program. Members have been asked not to show their standard Medicare ID card when receiving services; instead, members should provide their Blue Cross and/or Blue Shield member ID.

If you are a contracted Medicare Advantage PPO provider with Empire, you must provide the same access to care as you do for the Empire Blue MA PPO members. You can expect to receive the same contracted rates for such services.

If you are not a Medicare Advantage PPO contracted provider, you may see Medicare Advantage members from other Blue Plans but you are not required to do so. Should you decide to provide services to Blue Medicare Advantage members, you will be reimbursed for covered services at the Medicare allowed amount based on where the services were rendered and under the member's out-of-network benefits. For urgent or emergency care, you will be reimbursed at the in-network benefit level.

If your practice is closed to new local Blue MA PPO members, you do not have to provide care for Blue MA PPO out-of-area members. The same contractual arrangements apply to these out-of-area network sharing members as your local MA PPO members.

To verify a member's eligibility, call the BlueCard Eligibility Line at **1-800-676-BLUE (1-800-676-2583)** and provide the member's three-digit alpha prefix located on the ID card.

You should submit claims to Empire under your current billing practices. If you are a MA PPO contracted provider with Empire, benefits will be based on your contracted MA PPO rate for providing covered services to MA PPO members from any MA PPO Plan. Once you submit the MA claim, Empire will work with the other plan to determine benefits and send you the payment. When you provide covered services to other Blue Medicare Advantage out-of-area members, benefits will be based on the Medicare allowed amount. Once you submit the MA claim, Empire will send you the payment. However, these services will be paid under the member's out-of-network benefits unless for urgent or emergency care. A MA PPO member cost sharing level and copay is based on the member's health plan. You may collect the copay amounts from the member at the time of service. To determine the cost sharing and/or copay amounts, you should call the BlueCard Eligibility Line at **1-800-676-BLUE (1-800-676-2583)**. You may not balance bill the member for this difference. Members may be balance billed for any deductibles, co-insurance, and/or copays. If there is a question concerning the

reimbursement amount or questions regarding any part of the MA PPO network sharing, contact Empire at the number on the back of the member's ID card.

2.19 Contracted Provider Assistance with Medicare Advantage Material

As part of the Empire goal to improve the health of the senior community, we are committed to providing them with the facts about our Medicare Advantage health care plans that help seniors make more informed decisions about their health care and coverage needs. To assist with meeting the goal to keep Medicare beneficiaries more informed, we need your help. Empire would like to make Medicare Advantage materials available to beneficiaries through our contracted providers. We are asking your permission to display Medicare Advantage materials in your offices. Our sales representatives will be contacting you and other contracted providers to work with Empire to provide this information to beneficiaries.

Your participation with this request is strictly voluntary; however, as with all provider-based activities, CMS has certain requirements for both the Medicare Advantage sponsor of these materials and the contracted providers (and any subcontractors, including providers or agents) who display the materials in their offices.

CMS Guidelines

Providers contracted with Medicare Advantage (and their contractors) are permitted to:

- Provide the names of Medicare Advantage sponsors with which they contract and/or participate to beneficiaries.
- Provide information and assistance in applying for the Low Income Subsidy (LIS).
- Make available and/or distribute plan marketing materials for a subset of contracted plans only as long as providers offer the option of making available and/or distributing marketing materials to all plans with which they participate. CMS does not expect providers to proactively contact all participating plans to solicit the distribution of their marketing materials: rather, if providers agree to make available and/or distribute plan marketing materials for some of their contracted plans, providers should do so knowing they must accept future requests from other plans with which they participate.

To that end, providers are permitted to:

Provide objective information on Medicare Advantage sponsors' specific plan formularies, based on a particular patient's medications and health care needs.

- Provide objective information regarding Medicare Advantage sponsors', including information such as covered benefits, cost sharing and utilization management tools.
- Make available and/or distribute plan marketing materials including Prescription drug plan (PDP) enrollment applications, but not Medicare Advantage (MA) or Medicare Advantage-Prescription Drug (MA-PD) enrollment applications for all plans with which the provider participates.
- To avoid an impression of steering, providers should not deliver materials/applications within an exam room setting.
- Refer their patients to other sources of information, such as State Health Insurance Plan SHIPs, plan marketing representatives, their state Medicaid Office, local Social Security Office, CMS' website at <http://www.medicare.gov> or 1-800-MEDICARE (1-800-633-4277).
- Print out and share information with patients from CMS' website.
- **Providers are permitted to make available and/or distribute plan marketing materials for a subset of contracted plans only as long as providers offer the option of making available and/or distributing marketing materials to all.**

The *Medicare & You Handbook* or Medicare Options Compare (from <http://www.medicare.gov>), may be distributed by providers without additional approvals. There may be other documents that provide comparative and descriptive material about plans, of a broad nature, that are written by CMS or have been previously approved by CMS. These materials may be distributed by Medicare Advantage sponsors and providers without further CMS approval. This includes CMS Medicare Prescription Drug Plan Finder information via a computer terminal for access by beneficiaries. Medicare Advantage sponsors should advise contracted providers of the provision, based on a particular patient's medications and health care needs.

2.20 Delegation

Delegated Activities

If Empire has delegated activities to the provider, then Empire will provide the following information to the provider and the provider shall provide such information to any of its subcontracted entities:

- A list of delegated activities and reporting responsibilities;
- Arrangements for the revocation of delegated activities;
- Notification that the performance of the contracted and subcontracted entities will be monitored by the plan
- Notification that the credentialing process must be approved and monitored by the plan; and
- Notification that all contracted and subcontracted entities must comply with all applicable Medicare laws, regulations and CMS instructions.

Delegation of Provider Selection

In addition to the responsibilities as set forth above, to the extent that the plan has delegated selection of the providers, contractors, or subcontractor to the provider, the plan retains the right to approve, suspend, or terminate any such arrangement.

2.21 Misrouted Protected Health Information (PHI)

Providers and facilities are required to review all member information received from Empire to ensure no misrouted PHI is included. Misrouted PHI includes information about members that a provider or facility is not currently treating. PHI can be misrouted to providers and facilities by mail, fax, or email. Providers and facilities are required to immediately destroy any misrouted PHI or safeguard the PHI for as long as it is retained. In no event are providers or facilities permitted to misuse or redisclose misrouted PHI. If providers or facilities cannot destroy or safeguard misrouted PHI, providers and facilities must contact Provider Services to report receipt of misrouted PHI.

3 Credentialing

Empire's Discretion

The credentialing summary, criteria, standards, and requirements set forth herein are not intended to limit Empire's discretion in any way to amend, change or suspend any aspect of Empire's credentialing program ("Credentialing Program") nor is it intended to create rights on the part of practitioners or HDOs who seek to provide healthcare services to Members. Empire further retains the right to approve, suspend, or terminate individual physicians and health care professionals, and sites in those instances where it has delegated credentialing decision making.

3.1 Credentialing Scope

Credentialing requirements apply to the following:

1. Practitioners who are licensed, certified or registered by the state to practice independently (without direction or supervision);
2. Practitioners who have an independent relationship with Empire
 - An independent relationship exists when Empire directs its Members to see a specific practitioner or group of practitioners, including all practitioners whom a Member can select as primary care practitioners; and
3. Practitioners who provide care to Members under Empire's medical benefits.

The criteria listed above apply to practitioners in the following settings:

1. Individual or group practices;
2. Facilities;
3. Rental networks:
 - That are part of Empire's primary Network and include Empire Members who reside in the rental network area.
 - That are specifically for out-of-area care and Members may see only those practitioners or are given an incentive to see rental network practitioners; and
4. Telemedicine.

Empire credentials the following licensed/state certified independent health care practitioners:

- Medical doctors
- Doctors of osteopathic medicine
- Doctors of podiatry
- Chiropractors
- Optometrists providing health services covered under the Health Benefits Plan
- Doctors of dentistry providing health services covered under the Health Benefits Plan including oral and maxillofacial surgeons
- Psychologists who have doctoral or master's level training
- Clinical social workers who have master's level training
- Psychiatric or behavioral health nurse practitioners who have master's level training
- Other behavioral health care telemedicine practitioners who provide treatment services under the health benefits plan
- Telemedicine practitioners who provide treatment services under the Health Benefit Plan
- Medical therapists (for example, physical therapists, speech therapists, and occupational therapists)
- Genetic counselors
- Audiologists
- Acupuncturists (nonmedical doctors or doctors of osteopathic medicine)
- Nurse practitioners
- Certified nurse midwives
- Physician assistants (as required locally)
- Registered dietitians

The following behavioral health practitioners are not subject to professional conduct and competence review under the Credentialing Program, but are subject to a certification requirement process including verification of licensure by the applicable state licensing board to independently provide behavioral health services and/or compliance with regulatory or state/federal contract requirements for the provision of services:

- Certified behavioral analysts
- Certified addiction counselors
- Substance abuse practitioners

Empire credentials the following Health Delivery Organizations (“HDOs”):

- Hospitals
- Home health agencies
- Skilled nursing facilities
- Nursing homes
- Ambulatory surgical centers
- Behavioral health facilities providing mental health and/or substance abuse treatment in an inpatient, residential or ambulatory setting, including:
 - Adult family care/foster care homes
 - Ambulatory detox
 - Community mental health centers (CMHC)
 - Crisis stabilization units
 - Intensive family intervention services
 - Intensive outpatient – mental health and/or substance abuse
 - Methadone maintenance clinics
 - Outpatient mental health clinics
 - Outpatient substance abuse clinics
 - Partial hospitalization – mental health and/or substance abuse
 - Residential treatment centers (RTC) – psychiatric and/or substance abuse
- Birthing centers
- Home infusion therapy agencies when not associated with another currently credentialed HDO

The following Health Delivery Organizations are not subject to professional conduct and competence review under the Credentialing Program, but are subject to a certification requirement process including verification of licensure by the applicable state licensing agency and/or compliance with regulatory or state/federal contract requirements for the provision of services:

- Clinical laboratories (CLIA Certification of Accreditation or CLIA Certificate of Compliance)
- End stage renal disease (ESRD) service providers (dialysis facilities) (CMS Certification or National Dialysis Accreditation Commission)
- Portable X-ray suppliers (CMS Certification)
- Home infusion therapy when associated with another currently credentialed HDO
- Hospice (CMS Certification)
- Federally qualified health centers (FQHC) (CMS Certification)
- Rural health clinics (CMS Certification)

3.2 Credentials Committee

The decision to accept, retain, deny or terminate a practitioner’s or HDO’s participation in on one or more of Empire’s networks or plan programs is conducted by a peer review body, known as Empire’s Credentials Committee (the “CC”).

The CC will meet at least once every 45 calendar days. The presence of a majority of voting CC members constitutes a quorum. The chief medical officer, or a designee appointed in consultation with the Vice President of Medical and Credentialing Policy, will designate a chair of the CC, as well as a vice-chair in states or regions where both Commercial and Medicaid contracts exist. In states or regions where

Medicare Advantage (MA) is represented, a second vice-chair representing MA may be designated. In states or regions where an Empire affiliated provider organization is represented, a second vice-chair representing that organization may be designated. The chair must be a state or regional lead medical director, or an Empire medical director designee and the vice-chair must be a lead medical officer or an Empire medical director designee, for that line of business not represented by the chair. In states or regions where only one line of business is represented, the chair of the CC will designate a vice-chair for that line of business also represented by the chair. The CC will include at least five, but no more than 10 external physicians representing multiple medical specialties (in general, the following specialties or practice-types should be represented: pediatrics, obstetrics/gynecology, adult medicine (family medicine or internal medicine); surgery; behavioral health, with the option of using other specialties when needed as determined by the chair/vice-chair). CC membership may also include one to two other types of credentialed health providers (e.g., nurse practitioner, chiropractor, social worker, podiatrist) to meet priorities of the geographic region as per chair/vice-chair's discretion. At least two of the physician committee members must be credentialed for each line of business (e.g., Commercial, Medicare, and Medicaid) offered within the geographic purview of the CC. The chair/vice-chair will serve as a voting member(s) and provide support to the credentialing/re-credentialing process as needed.

The CC will access various specialists for consultation, as needed to complete the review of a practitioner's credentials. A committee member will disclose and abstain from voting on a practitioner if the committee member (i) believes there is a conflict of interest, such as direct economic competition with the practitioner; or (ii) feels his or her judgment might otherwise be compromised. A committee member will also disclose if he or she has been professionally involved with the practitioner. Determinations to deny an applicant's participation or terminate a practitioner from participation in one or more Networks or Plan programs, require a majority vote of the voting members of the CC in attendance, the majority of whom are network practitioners.

During the credentialing process, all information that is obtained is confidential and not subject to review by third parties except to the extent permitted by law. Access to information will be restricted to those individuals who are deemed necessary to attain the objectives of the Credentialing Program. Specifically, information supplied by the practitioner or HDO in the application, as well as other non-publicly available information will be treated as confidential. Confidential written records regarding deficiencies found, the actions taken, and the recommended follow-up will be kept in a secure fashion. Security mechanisms include secured office facilities and locked filing cabinets, a protected computer infrastructure with password controls and systematic monitoring, and staff ethics and compliance training programs. The procedures and minutes of the CC will be open to review by state and federal regulatory agencies and accrediting bodies to the extent permitted by law.

Practitioners and HDOs are notified of their right to review information submitted to support their credentialing applications. In the event that credentialing information cannot be verified, or if there is a discrepancy in the credentialing information obtained, Empire's credentialing staff ("Credentialing Department") will contact the practitioner or HDO within 30 calendar days of the identification of the issue. This communication will notify the practitioner or HDO of their right to correct erroneous information or provide additional details regarding the issue and will include the process for submission of this additional information. Depending on the nature of the issue, this communication may occur verbally or in writing. If the communication is verbal, written confirmation will be sent at a later date. All communication on the issue, including copies of the correspondence or a detailed record of phone calls, will be documented in the practitioner's or HDO's credentials file. The practitioner or HDO will be given no less than 14 calendar days in which to provide additional information. Upon request, the practitioner or HDO will be provided with the status of their credentialing or re-credentialing application.

Empire may request and will accept additional information from the applicant to correct or explain incomplete, inaccurate, or conflicting credentialing information. The CC will review the information and rationale presented by the applicant to determine if a material omission has occurred or if other credentialing criteria are met.

3.3 Nondiscrimination Policy

Empire will not discriminate against any applicant for participation in its programs or provider network(s) on the basis of race, gender, color, creed, religion, national origin, ancestry, sexual orientation, age, veteran, or marital status or any unlawful basis not specifically mentioned herein. Additionally, Empire will not discriminate against any applicant on the basis of the risk of population they serve or against those who specialize in the treatment of costly conditions. Other than gender and language capabilities which are provided to the members to meet their needs and preferences, this information is not required in the credentialing and recredentialing process. Determinations as to which practitioners and providers require additional individual review by the Credentials Committee are made according to predetermined criteria related to professional conduct and competence. Credentials Committee decisions are based on issues of professional conduct and competence as reported and verified through the credentialing process. Empire will audit credentialing files annually to identify discriminatory practices in the selection of practitioners. In the event, discriminatory practices are identified through an audit or through other means, Empire will take appropriate action(s) to track and eliminate those practices.

3.4 Initial Credentialing

Each practitioner or HDO must complete a standard application, deemed acceptable by Empire, when applying for initial participation in one or more of the Empire networks or plan programs. For practitioners, the Council for Affordable Quality Healthcare (CAQH) ProView® system is utilized. To learn more about CAQH, visit their website at www.CAQH.org.

Empire will verify those elements related to an applicants' legal authority to practice, relevant training, experience and competency from the primary source, where applicable, during the credentialing process. All verifications must be current and verified within the one hundred eighty (180) calendar day period prior to the CC making its credentialing recommendation or as otherwise required by applicable accreditation standards.

During the credentialing process, Empire will review, among other things, verification of the credentialing data as described in the following tables unless otherwise required by regulatory or accrediting bodies. These tables represent minimum requirements.

A. Practitioners

| Verification element |
|---|
| License to practice in the state(s) in which the practitioner will be treating Members. |
| Hospital admitting privileges at a TJC, NIAHO or AOA accredited hospital, or a Network hospital previously approved by the committee. |
| DEA/CDS and state controlled substance registrations <ul style="list-style-type: none"> The DEA/CDS registration must be valid in the state(s) in which practitioner will be treating Members. Practitioners who see Members in more than one state must have a DEA/CDS registration for each state. |
| Malpractice insurance |

| Verification element |
|---|
| Malpractice claims history |
| Board certification or highest level of medical training or education |
| Work history |
| State or Federal license sanctions or limitations |
| Medicare, Medicaid or FEHBP sanctions |
| National Practitioner Data Bank report |
| State Medicaid Exclusion Listing, if applicable |

B. HDOs

| Verification element |
|--|
| Accreditation, if applicable |
| License to practice, if applicable |
| Malpractice insurance |
| Medicare certification, if applicable |
| Department of Health Survey Results or recognized accrediting organization certification |
| License sanctions or limitations, if applicable |
| Medicare, Medicaid or FEHBP sanctions |

3.5 Recredentialing

The recredentialing process incorporates re-verification and the identification of changes in the practitioner's or HDO's licensure, sanctions, certification, health status and/or performance information (including, but not limited to, malpractice experience, hospital privilege or other actions) that may reflect on the practitioner's or HDO's professional conduct and competence. This information is reviewed in order to assess whether practitioners and HDOs continue to meet Empire credentialing standards ("Credentialing Standards").

All applicable practitioners and HDOs in the network within the scope of Empire Credentialing Program are required to be recredentialled every three (3) years unless otherwise required by contract or state regulations.

3.6 Health Delivery Organizations

New HDO applicants will submit a standardized application to Empire for review. If the candidate meets Empire screening criteria, the credentialing process will commence. To assess whether network HDOs, within the scope of the Credentialing Program, meet appropriate standards of professional conduct and competence, they are subject to credentialing and recredentialing programs. In addition to the licensure and other eligibility criteria for HDOs, as described in detail below, in the "Empire Credentialing Program Standards" section, all network HDOs are required to maintain accreditation by an appropriate, recognized accrediting body or, in the absence of such accreditation, Empire may evaluate the most recent site survey by Medicare, the appropriate state oversight agency, or a site survey performed by a designated independent external entity within the past thirty-six (36) months for that HDO.

3.7 Ongoing Sanction Monitoring

To support certain Credentialing Standards between the recredentialing cycles, Empire has established an ongoing monitoring program. The Credentialing Department performs ongoing monitoring to help ensure continued compliance with Credentialing Standards and to assess for occurrences that may reflect issues of substandard professional conduct and competence. To achieve this, the Credentialing Department will review periodic listings/reports within thirty (30) calendar days of the time they are made available from the various sources including, but not limited to, the following:

1. Office of the Inspector General (OIG)
2. Federal Medicare/Medicaid Reports
3. Office of Personnel Management (OPM)
4. State licensing Boards/Agencies
5. Member/Customer Services Departments
6. Clinical Quality Management Department (including data regarding complaints of both a clinical and nonclinical nature, reports of adverse clinical events and outcomes, and satisfaction data, as available)
7. Other internal Empire Departments
8. Any other information received from sources deemed reliable by Empire.

When a practitioner or HDO within the scope of credentialing has been identified by these sources, criteria will be used to assess the appropriate response.

3.8 Appeals Process

Empire has established policies for monitoring and re-credentialing practitioners and HDOs who seek continued participation in one or more of Empire's Networks or Plan Programs. Information reviewed during this activity may indicate that the professional conduct and competence standards are no longer being met, and Empire may wish to terminate practitioners or HDOs. Empire also seeks to treat network practitioners and HDOs, as well as those applying for participation, fairly and thus provides practitioners and HDOs with a process to appeal determinations terminating/denying participation in Empire's Networks for professional conduct and competence reasons, or which would otherwise result in a report to the National Practitioner Data Bank (NPDB).

Additionally, Empire will permit practitioners and HDOs who have been refused initial participation the opportunity to correct any errors or omissions which may have led to such denial (informal/reconsideration only). It is Empire's intent to give practitioners and HDOs the opportunity to contest a termination of the practitioner's or HDO's participation in one or more of Empire's Networks or Plan Programs and those denials of request for initial participation which are reported to the NPDB that were based on professional conduct and competence considerations.

Immediate terminations may be imposed due to the practitioner's or HDO's license suspension, probation or revocation, if a practitioner or HDO has been sanctioned, debarred or excluded from the Medicare, Medicaid or FEHB programs, has a criminal conviction, or Empire's determination that the practitioner's or HDO's continued participation poses an imminent risk of harm to Members. Participating practitioners and HDOs whose network participation has been terminated due to the practitioner's suspension or loss of licensure or due to criminal conviction are not eligible for informal

review/reconsideration or formal appeal. Participating practitioners and HDOs whose network participation has been terminated due to sanction, debarment or exclusion from the Medicare, Medicaid or FEHB are not eligible for informal review/reconsideration or formal appeal.

3.9 Reporting Requirements

When Empire takes a professional review action with respect to a practitioner's or HDO's participation in one (1) or more of its networks or plan programs, Empire may have an obligation to report such to the NPDB, state licensing board and legally designated agencies. In the event that the procedures set forth for reporting reportable adverse actions conflict with the process set forth in the current *NPDB Guidebook*, the process set forth in the *NPDB Guidebook* will govern.

Empire Credentialing Program Standards

I. Eligibility Criteria

Health care practitioners:

Initial applicants must meet the following criteria in order to be considered for participation:

1. Must not be currently federally sanctioned, debarred or excluded from participation in any of the following programs: Medicare, Medicaid or FEHBP;
2. Possess a current, valid, unencumbered, unrestricted, and non-probationary license in the state(s) where he or she provides services to Members;
3. Possess a current, valid, and unrestricted Drug Enforcement Agency (DEA) and/or Controlled Dangerous Substances (CDS) registration for prescribing controlled substances, if applicable to his/her specialty in which he or she will treat Members. The DEA/CDS registration must be valid in the state(s) in which the practitioner will be treating Members. Practitioners who see Members in more than one state must have a DEA/CDS registration for each state; and
4. Meet the education, training and certification criteria as required by Empire.

Initial applications should meet the following criteria in order to be considered for participation, with exceptions reviewed and approved by the CC:

- A. For MDs, DOs, DPMs, and DMDs/DDSs practicing oral and maxillofacial surgery, the applicant must have current, in force board certification (as defined by the American Board of Medical Specialties (ABMS), American Osteopathic Association (AOA), Royal College of Physicians and Surgeons of Canada (RCPSC), College of Family Physicians of Canada (CFPC), American Board of Foot and Ankle Surgery (ABFAS), American Board of Podiatric Medicine ("ABPM"), or American Board of Oral and Maxillofacial Surgery (ABOMS) in the clinical discipline for which they are applying.
- B. If not certified, MDs and DOs will be granted five years or a period of time consistent with ABMS or AOA board eligibility time limits, whatever is greater, after completion of their residency or fellowship training program to meet the board certification requirement.
- C. If not certified, DPMs will be granted five years after the completion of their residency to meet this requirement for the ABPM. Non-certified DPMs will be granted seven years after completion of their residency to meet this requirement for ABFAS.
- D. Individuals no longer eligible for board certification are not eligible for continued exception to this requirement.
 1. As alternatives, MDs and DOs meeting any one of the following criteria will be viewed as meeting the education, training and certification requirement:

- i. Previous board certification (as defined by one) of the following: ABMS, AOA, RCPSC, CFPC, ABFAS, ABPM, or ABOMS) in the clinical specialty or subspecialty for which they are applying which has now expired and a minimum of 10 consecutive years of clinical practice;
 - ii. Training which met the requirements in place at the time it was completed in a specialty field prior to the availability of board certifications in that clinical specialty or subspecialty; or
 - iii. Specialized practice expertise as evidenced by publication in nationally accepted peer review literature and/or recognized as a leader in the science of their specialty and a faculty appointment of assistant professor or higher at an academic medical center and teaching facility in Empire's network and the applicant's professional activities are spent at that institution at least fifty percent (50%) of the time.
 2. Practitioners meeting one of these three alternative criteria (i., ii., iii.) will be viewed as meeting all Empire education, training and certification criteria and will not be required to undergo additional review or individual presentation to the CC. These alternatives are subject to Empire review and approval. Reports submitted by delegates to Empire must contain sufficient documentation to support the above alternatives, as determined by Empire.
- E. For MDs and DOs, the applicant must have unrestricted hospital privileges at a The Joint Commission (TJC), National Integrated Accreditation for Healthcare Organizations (NIAHO), Center for Improvement in Healthcare Quality (CIHQ), a Healthcare Facilities Accreditation Program (HFAP) accredited hospital, or a Network hospital previously approved by the committee. Some clinical disciplines may function exclusively in the outpatient setting, and the CC may at its discretion deem hospital privileges not relevant to these specialties. Also, the organization of an increasing number of physician practice settings in selected fields is such that individual physicians may practice solely in either an outpatient or an inpatient setting. The CC will evaluate applications from practitioners in such practices without regard to hospital privileges. The expectation of these physicians would be that there is an appropriate referral arrangement with a Network practitioner to provide inpatient care.
- F. For Genetic Counselors, the applicant must be licensed by the state to practice independently. If the state where the applicant practices does not license Genetic Counselors, the applicant must be certified by the American Board of Genetic Counseling or the American Board of Genetics and Genomics.

Criteria for Selecting Practitioners

New Applicants (Credentialing):

1. Submission of a complete application and required attachments that must not contain intentional misrepresentations or omissions.
2. Application attestation signed date within 180 calendar days of the date of submission to the CC for a vote.
3. Primary source verifications within acceptable timeframes of the date of submission to the CC for a vote, as deemed by appropriate accrediting agencies.
4. No evidence of potential material omission(s) on application.
5. Current, valid, unrestricted license to practice in each state in which the practitioner would provide care to Members.
6. No current license action.
7. No history of licensing board action in any state.

8. No current federal sanction and no history of federal sanctions (per System for Award Management (SAM), OIG and OPM report nor on NPDB report).
9. Possess a current, valid, and unrestricted DEA/CDS registration for prescribing controlled substances, if applicable to his/her specialty in which he or she will treat Members. The DEA/CDS registration must be valid in the state(s) in which the practitioner will be treating Members. Practitioners who treat Members in more than one state must have a valid DEA/CDS registration for each applicable state.
10. Initial applicants who have no DEA/CDS registration will be viewed as not meeting criteria and the credentialing process will not proceed. However, if the applicant can provide evidence that he or she has applied for a DEA/CDS registration, the credentialing process may proceed if all of the following are met:
 - a. It can be verified that this application is pending.
 - b. The applicant has made an arrangement for an alternative practitioner to prescribe controlled substances until the additional DEA/CDS registration is obtained. If the alternate provider is a practice rather than an individual, the file may include the practice name. The Company is not required to arrange an alternative prescriber;
 - c. The applicant agrees to notify Empire upon receipt of the required DEA/CDS registration.
 - d. Empire will verify the appropriate DEA/CDS registration via standard sources.
 - i. The applicant agrees that failure to provide the appropriate DEA/CDS registration within a 90 calendar day timeframe will result in termination from the Network.

Initial applicants who possess a DEA certificate in a state other than the state in which they will be seeing Empire's Members will be notified of the need to obtain the additional DEA, unless the practitioner is delivering services in a telemedicine environment only and does not require a DEA or CDS registration in the additional location(s) where such telemedicine services may be rendered under federal or state law. If the applicant has applied for an additional DEA registration the credentialing process may proceed if all the following criteria are met:

- a. It can be verified that the applicant's application is pending; and
- b. The applicant has made an arrangement for an alternative provider to prescribe controlled substances until the additional DEA registration is obtained; and
- c. The applicant agrees to notify Empire upon receipt of the required DEA registration; and
- d. Empire will verify the appropriate DEA/CDS registration via standard sources; and
- e. The applicant agrees that failure to provide the appropriate DEA registration within a 90 day timeframe will result in termination from the network.

Practitioners who voluntarily choose to not have a DEA/CDS registration if that practitioner certifies the following:

- a. controlled substances are not prescribed within his/her scope of practice; or in their professional judgement, the patients receiving their care do not require controlled substances and
- b. he or she must provide documentation that an arrangement exists for an alternative provider to prescribe controlled substances should it be clinically appropriate. If the alternate provider is a practice rather than an individual, the file may include the practice name. The Company is not required to arrange an alternative prescriber; and
- c. DEA/CDS registration is or was not suspended, revoked, surrendered or encumbered for reasons other than those aforementioned.

11. No current hospital membership or privilege restrictions and no history of hospital membership or privileges restrictions; or for Practitioners in specialties defined as requiring hospital privileges who practice solely in the outpatient setting, there exists a defined referral arrangement with a participating Practitioner of similar specialty at a participating hospital who provides inpatient care to members requiring hospitalization.
12. No history of or current use of illegal drugs or history of or current alcohol use disorder.
13. No impairment or other condition which would negatively impact the ability to perform the essential functions in their professional field.
14. No gap in work history greater than six months in the past five years; however, gaps up to 12 months related to parental leave or immigration will be acceptable and viewed as Level I. All gaps in work history exceeding six months will require additional information and review by the Credentialing Department. A verbal explanation will be accepted for gaps of six to 12 months. Gaps in excess of 12 months will require written explanations. All work history gaps exceeding six (months may be presented to the geographic CC if the gap raises concerns of future substandard Professional Conduct and Competence.
15. No convictions, or pleadings of guilty or no contest to, or open indictments of, a felony or any offense involving moral turpitude or fraud. In addition, no other criminal or civil litigation history that together with any other relevant facts, raises a reasonable suspicion of future substandard professional conduct and/or competence.
16. A minimum of the past 10 years of malpractice claims history is reviewed.
17. Meets Credentialing Standards for education/training for the specialty(ies) in which practitioner wants to be listed in Empire's Network directory as designated on the application. This includes board certification requirements or alternative criteria for MDs and DOs and board certification criteria for DPMs, and oral and maxillofacial surgeons;
18. No involuntary terminations from an HMO or PPO.
19. No "yes" answers to attestation/disclosure questions on the application form with the exception of the following:
 - a. Investment or business interest in ancillary services, equipment or supplies;
 - b. Voluntary resignation from a hospital or organization related to practice relocation or facility utilization;
 - c. Voluntary surrender of state license related to relocation or nonuse of said license;
 - d. An NPDB report of a malpractice settlement or any report of a malpractice settlement that does not meet the threshold criteria;
 - e. Non-renewal of malpractice coverage or change in malpractice carrier related to changes in the carrier's business practices (no longer offering coverage in a state or no longer in business);
 - f. Previous failure of a certification exam by a practitioner who is currently board certified or who remains in the five year post residency training window.
 - g. Actions taken by a hospital against a practitioner's privileges related solely to the failure to complete medical records in a timely fashion;
 - h. History of a licensing board, hospital or other professional entity investigation that was closed without any action or sanction.

Note: the CC will individually review any practitioner that does not meet one or more of the criteria required for initial applicants.

Additional Participation Criteria and Exceptions for Behavioral Health practitioners (Non Physician) Credentialing.

1. Licensed Clinical Social Workers (LCSW) or other master level social work license type:
 - a. Master or doctoral degree in social work.

- b. If master's level degree does not meet criteria and practitioner obtained PhD degree as a clinical psychologist, but is not licensed as such, the practitioner can be reviewed. In addition, a doctor of social work will be viewed as acceptable.
- 2. Pastoral Counselors:
 - a. Master's or doctoral degree in a mental health discipline.
 - b. Licensed as another recognized behavioral health provider type (e.g. MD/DO, PsyD, SW, RNCS, ARNP, and MFT, OR LPC) at the highest level of independent practice in the state where the practice is to occur, OR must be licensed or certified as a pastoral counselor in the state where the practice is to occur.
 - c. A fellow or diplomat member of the Association for Clinical Pastoral Education (ACPE) OR meet all requirements to become a fellow or diplomat member of the ACPE [documentation of eligibility of ACPE required].
- 3. Clinical nurse specialist/psychiatric and mental health nurse practitioner:
 - a. Master's degree in nursing with specialization in adult or child/adolescent psychiatric and mental health nursing.
 - b. Registered Nurse license and any additional licensure as an Advanced Practice Nurse/Certified Nurse Specialist/Adult Psychiatric Nursing or other license or certification as dictated by the appropriate State(s) Board of Registered Nursing, if applicable.
 - c. Certification by the American Nurses Credentialing Center (ANCC), a subsidiary of the American Nurses Association (ANA) in psychiatric nursing, or the Pediatric Nursing Certification Board. This may be any of the following types: Clinical Nurse Specialist in Child or Adult Psychiatric Nursing, Psychiatric and Mental Health Nurse Practitioner, or Family Psychiatric and Mental Health Nurse Practitioner; and
 - d. Valid, current, unrestricted DEA/CDS registration, where applicable with appropriate supervision/consultation by a Network practitioner as applicable by the state licensing board. For those who possess a DEA registration, the appropriate CDS registration is required. The DEA/CDS registration must be valid in the state(s) in which the practitioner will be treating Members.
- 4. Clinical Psychologists:
 - a. Valid state clinical psychologist license.
 - b. Doctoral degree in clinical or counseling, psychology or other applicable field of study.
 - c. Master's level therapists in good standing in the Network, who upgrade their license to clinical psychologist as a result of further training, will be allowed to continue in the Network and will not be subject to the above education criteria.
- 5. Clinical Neuropsychologist:
 - a. Must meet all the criteria for a clinical psychologist listed in Section 4 above and be Board certified by either the American Board of Professional Neuropsychology (ABPN) or American Board of Clinical Neuropsychology (ABCN);
 - b. A practitioner credentialed by the National Register of Health Service Providers (National Register) in psychology with an area of expertise in neuropsychology may be considered; and
 - c. Clinical neuropsychologists who are not board certified, nor listed in the National Register, will require CC review. These practitioners must have appropriate training and/or experience in neuropsychology as evidenced by one or more of the following:
 - i. Transcript of applicable pre-doctoral training;
 - ii. Documentation of applicable formal one-year post-doctoral training (participation in CEU training alone would not be considered adequate);
 - iii. Letters from supervisors in clinical neuropsychology (including number of hours per

- week); or
 - iv. Minimum of five years' experience practicing neuropsychology at least ten hours per week.
6. Licensed Psychoanalysts:
- a. Applies only to practitioners in states that license psychoanalysts.
 - b. Practitioners will be credentialed as a licensed psychoanalyst if they are not otherwise credentialed as a practitioner type detailed in Empire Credentialing Policy (e.g. psychiatrist, clinical psychologist, licensed clinical social worker).
 - c. Practitioner must possess a valid psychoanalysis state license.
 - (a) Meet minimum supervised experience requirement for licensure as a psychoanalyst as determined by the licensing state.
 - (b) Meet examination requirements for licensure as determined by the licensing state.

Additional Participation Criteria and Exceptions for Nurse Practitioners, Certified Nurse Midwives, Physicians Assistants (Non Physician), Acupuncturists Credentialing. These Practitioners who fall within the scope of the credentialing program are required to meet all previous requirements. This section specifically addresses only the education and training requirements of non-physician Practitioners.

Process, requirements and Verification – Nurse Practitioners:

- a. The nurse practitioner (NP) applicant will submit the appropriate application and supporting documents as required of any other Practitioners with the exception of differing information regarding education/training and board certification.
- b. The required education/training will be, at a minimum, the completion of an education program leading to licensure as a Registered Nurse, and subsequent additional education leading to licensure as a NP. Verification of this will occur either via verification of the licensure status from the state licensing agency provided that that agency verifies the education or from the certification board if that board provides documentation that it performs primary verification of the professional education and training. If the licensing agency or certification board does not verify highest level of education, the education will be primary source verified in accordance with policy.
- c. The license status must be that of NP as verified via primary source from the appropriate state licensing agency. Additionally, this license must be active, unencumbered, unrestricted and not subject to probation, terms or conditions. Any applicants whose licensure status does not meet these criteria, or who have in force adverse actions regarding Medicare or Medicaid will be notified of this and the applicant will be administratively denied.
- d. If the NP has prescriptive authority, which allows the prescription of scheduled drugs, their DEA and/or state certificate of prescriptive authority information will be requested and primary source verified via normal Empire procedures. If there are in force adverse actions against the DEA, the applicant will be notified of this and the applicant will be administratively denied.
- e. All NP applicants will be certified in the area which reflects their scope of practice by any one of the following:

- a. Certification program of the American Nurse Credentialing Center, a subsidiary of the American Nursing Association;
- b. American Academy of Nurse Practitioners – Certification Program;
- c. National Certification Corporation;
- d. Pediatric Nurse Certification Board (PNCB) Certified Pediatric Nurse Practitioner – (note: CPN – certified pediatric nurse is not a nurse practitioner);
- e. Oncology Nursing Certification Corporation (ONCC) – Advanced Oncology Certified Nurse Practitioner (AOCNP®) – ONLY;
- f. American Association of Critical Care Nurses ACNPC – Adult Care Nurse Practitioner; ACNPC-AG – Adult Gerontology Acute Care This certification must be active and primary source verified.

If the state licensing board primary sources verifies this certification as a requirement for licensure, additional verification by Empire is not required. If the applicant is not certified or if his/her certification has expired, the application will be submitted for individual review.

- f. If the NP has hospital privileges, they must have hospital privileges at a CIHQ, TJC, NIAHO, or HFAP accredited hospital, or a network hospital previously approved by the committee. Information regarding history of any actions taken against any hospital privileges held by the NP will be obtained. Any adverse action against any hospital privileges will trigger a level II review.
- g. The NP applicant will undergo the standard credentialing processes outlined in Empire’s Credentialing Policies (“Credentialing Policies” or “Credentialing Policy”). NPs are subject to all the requirements outlined in these Credentialing Policies including (but not limited to): the requirement for Committee review of Level II files for failure to meet predetermined criteria, recredentialing every three (3) years, and continuous sanction and performance monitoring upon participation in the network.
- h. Upon completion of the credentialing process, the NP may be listed in Empire’s provider directories. As with all providers, this listing will accurately reflect their specific licensure designation and these providers will be subject to the audit process.
- i. NPs will be clearly identified as such:
 - a. On the credentialing file;
 - b. At presentation to the Credentialing Committee; and
 - c. On notification to Network Services and to the provider database.

Process, Requirements and Verifications – Certified Nurse Midwives:

- a. The Certified Nurse Midwife (CNM) applicant will submit the appropriate application and supporting documents as required of any other Practitioner with the exception of differing information regarding education, training and board certification.
- b. The required educational/training will be at a minimum that required for licensure as a Registered Nurse with subsequent additional training for licensure as a Certified Nurse Midwife by the appropriate licensing body.

Verification of this education and training will occur either via primary source verification of the license, provided that state licensing agency performs verification of the education, or from the certification board if that board provides documentation that it performs primary verification of the professional education and training. If the state licensing agency or the certification board does not verify education, the education will be primary source verified in accordance with policy.

- c. The license status must be that of CNM as verified via primary source from the appropriate state licensing agency. Additionally, this license must be active, unencumbered, unrestricted and not subject to probation, terms or conditions. Any applicant whose licensure status does not meet these criteria, or who have in force adverse actions regarding Medicare or Medicaid will be notified of this and the applicant will be administratively denied.
- d. If the CNM has prescriptive authority, which allows the prescription of scheduled drugs, their DEA and/or state certificate of prescriptive authority information will be requested and primary source verified via normal Empire procedures. If there are in force adverse actions against the DEA, the applicant will be notified and the applicant will be administratively denied.
- e. All CNM applicants will be certified by either:
 - d. The National Certification Corporation for Ob/Gyn and Neonatal Nursing; or
 - e. The American Midwifery Certification Board, previously known as the American College of Nurse Midwives.

This certification must be active and primary source verified. If the state licensing board primary source verifies one (1) of these certifications as a requirement for licensure, additional verification by Empire is not required. If the applicant is not certified or if their certification has expired, the application will be submitted for individual review by the geographic Credentialing Committee.

- f. If the CNM has hospital privileges, they must have unrestricted hospital privileges at a CIHQ, TJC, NIAHO, or HFAP accredited hospital, or a network hospital previously approved by the committee or in the absence of such privileges, must not raise a reasonable suspicion of future substandard professional conduct or competence. Information regarding history of any actions taken against any hospital privileges held by the CNM will be obtained. Any history of any adverse action taken by any hospital will trigger a Level II review. Should the CNM provide only outpatient care, an acceptable admitting arrangement via the collaborative practice agreement must be in place with a participating OB/Gyn.
- g. The CNM applicant will undergo the standard credentialing process outlined in Empire's Credentialing Policies. CNMs are subject to all the requirements of these Credentialing Policies including (but not limited to): the requirement for Committee review for Level II applicants, recredentialing every three (3) years and continuous sanction and performance monitoring upon participation in the network..
- h. Upon completion of the credentialing process, the CNM may be listed in the Empire's provider directories. As with all providers, this listing will

accurately reflect their specific licensure designation and these providers will be subject to the audit process.

- i. CNMs will be clearly identified as such:
 - a. On the credentialing file;
 - b. At presentation to the Credentialing Committee; and
 - c. On notification to Network Services and to the provider database.

Process, Requirements and Verifications – Physician’s Assistants (PA):

- a. The PA applicant will submit the appropriate application and supporting documents as required of any other Practitioners with the exception of differing information regarding education/training and board certification.
- b. The required education/training will be, at a minimum, the completion of an education program leading to licensure as a PA. Verification of this will occur via verification of the licensure status from the state licensing agency provided that that agency verifies the education. If the state licensing agency does not verify education, the education will be primary source verified in accordance with policy.
- c. The license status must be that of PA as verified via primary source from the appropriate state licensing agency. Additionally, this license must be active, unencumbered, unrestricted and not subject to probation, terms or conditions. Any applicants whose licensure status does not meet these criteria, or who have in force adverse actions regarding Medicare or Medicaid will be notified of this and the applicant will be administratively denied.
- d. If the PA has prescriptive authority, which allows the prescription of scheduled drugs, their DEA and/or state certificate of prescriptive authority information will be requested and primary source verified via normal Empire procedures. If there are in force adverse actions against the DEA, the applicant will be notified and the applicant will be administratively denied.
- e. All PA applicants will be certified by the National Commission on Certification of Physician’s Assistants. This certification must be active and primary source verified. If the state licensing board primary sources verifies this certification as a requirement for licensure, additional verification by Empire is not required. If the applicant is not certified or if their certification has expired, the application will be classified as a Level II according to geographic Credentialing Policy #8 and submitted for individual review by the Credentialing Committee.
- f. If the PA has hospital privileges, they must have hospital privileges at a CIHQ, TJC, NIAHO, or HFAP accredited hospital, or a network hospital previously approved by the committee. Information regarding history of any actions taken against any hospital privileges held by the PA will be obtained. Any adverse action against any hospital privileges will trigger a level II review.
- g. The PA applicant will undergo the standard credentialing process outlined in Empire’s Credentialing Policies. PAs are subject to all the requirements described in these Credentialing Policies including (but not limited to): Committee review of Level II files failing to meet predetermined criteria, recredentialing every three (3) years, and continuous sanction and performance monitoring upon participation in the network.
- h. Upon completion of the credentialing process, the PA may be listed in Empire’s provider directories. As with all providers, this listing will accurately reflect their specific licensure designation and these providers will be subject to the audit process.

- i. PA's will be clearly identified such:
 - a. On the credentialing file;
 - b. At presentation to the Credentialing Committee; and
 - c. On notification to Network Services and to the provider database.

Process, Requirements and Verifications – Acupuncturists (non MD/DO):

- a. The provider applicant will submit the appropriate application and supporting documents as required of any other Practitioners with the exception of differing information regarding education/training and board certification.
- b. The required education/training will be, at a minimum, the completion of an education program leading to licensure as an Acupuncturist and all Acupuncturists applicants must have a masters or doctoral level degree in acupuncture or Oriental Medicine from a school accredited by the Accreditation Commission on Acupuncture and Oriental Medicine (ACAOM).
- c. Verification of this will occur via verification of the licensure status from the state licensing agency provided that that agency verifies the education. If the state licensing agency does not verify education, the education will be primary source verified in accordance with policy.
- d. The license status must be that of an Acupuncturist as verified via primary source from the appropriate state licensing agency. Additionally, this license must be active, unencumbered, unrestricted and not subject to probation, terms or conditions. Any applicants whose licensure status does not meet these criteria, or who have in force adverse actions regarding Medicare or Medicaid will be notified of this and the applicant will be administratively denied.
- e. The provider applicant will undergo the standard credentialing process outlined in Empire's Credentialing Policies. Acupuncturists are subject to all the requirements described in these Credentialing Policies including (but not limited to): Committee review of Level II files failing to meet predetermined criteria, recredentialing every three (3) years, and continuous sanction and performance monitoring upon participation in the network.
- f. Upon completion of the credentialing process, the Acupuncturist may be listed in Empire's provider directories. As with all providers, this listing will accurately reflect their specific licensure designation and these providers will be subject to the audit process.
- g. Acupuncturists will be clearly identified such:
 - d. On the credentialing file;
 - e. At presentation to the Credentialing Committee; and
 - f. On notification to Network Services and to the provider database.

D. Currently Participating Applicants (Recredentialing)

- 1. Submission of complete recredentialing application and required attachments that must not contain intentional misrepresentations or omissions;
- 2. Recredentialing application signed date within 180 calendar days of the date of submission to the CC for a vote;
- 3. Must not be currently federally sanctioned, debarred or excluded from participation in any of the following programs, Medicare, Medicaid or FEHBP. If, once a Practitioner participates in the Empire programs or provider network(s), federal sanction, debarment or exclusion from the Medicare, Medicaid or FEHBP programs occurs, at the time of identification, the

Practitioner will become immediately ineligible for participation in the applicable government programs or provider network(s) as well as the other Empire credentialed provider network(s).

4. Current, valid, unrestricted, unencumbered, un-probated license to practice in each state in which the practitioner provides care to Members;
5. No new history of licensing board reprimand since prior credentialing review;
6. *No current federal sanction and no new (since prior credentialing review) history of federal sanctions (per SAM, OIG and OPM Reports or on NPDB report);
7. Current DEA/CDS registration and/or state controlled substance certification without new (since prior credentialing review) history of or current restrictions;
8. No current hospital membership or privilege restrictions and no new (since prior credentialing review) history of hospital membership or privilege restrictions; OR for practitioners in a specialty defined as requiring hospital privileges who practice solely in the outpatient setting there exists a defined referral relationship with a network practitioner of similar specialty at a network HDO who provides inpatient care to Members needing hospitalization;
9. No new (since previous credentialing review) history of or current use of illegal drugs or alcoholism;
10. No impairment or other condition which would negatively impact the ability to perform the essential functions in their professional field;
11. No new (since previous credentialing review) history of criminal/felony convictions, including a plea of no contest;
12. Malpractice case history reviewed since the last CC review. If no new cases are identified since last review, malpractice history will be reviewed as meeting criteria. If new malpractice history is present, then a minimum of last five (5) years of malpractice history is evaluated and criteria consistent with initial credentialing is used.
13. No new (since previous credentialing review) involuntary terminations from an HMO or PPO;
14. No new (since previous credentialing review) "yes" answers on attestation/disclosure questions with exceptions of the following:
 - a. Voluntary resignation from a hospital or organization related to practice relocation or facility utilization;
 - b. Voluntary surrender of state license related to relocation or nonuse of said license;
 - c. An NPDB report of a malpractice settlement or any report of a malpractice settlement that does not meet the threshold criteria;
 - d. Nonrenewal of malpractice coverage or change in malpractice carrier related to changes in the carrier's business practices (no longer offering coverage in a state or no longer in business);
 - e. Previous failure of a certification exam by a practitioner who is currently board certified or who remains in the five year post residency training window;
 - f. Actions taken by a hospital against a practitioner's privileges related solely to the failure to complete medical records in a timely fashion;
 - g. History of a licensing board, hospital or other professional entity investigation that was closed without any action or sanction.
15. No QI data or other performance data including complaints above the set threshold.
16. Recredentialed at least every three (3) years to assess the practitioner's continued compliance with Empire standards.

* It is expected that these findings will be discovered for currently credentialed network practitioners and HDOs through ongoing sanction monitoring. Network practitioners and HDOs with such findings will be individually reviewed and considered by the CC at the time the findings are identified.

Note: the CC will individually review any credentialed network practitioners and HDOs that do not meet one or more of the criteria for recredentialing.

III. HDO Eligibility Criteria

All HDOs must be accredited by an appropriate, recognized accrediting body or in the absence of such accreditation, Empire may evaluate the most recent site survey by Medicare, the appropriate state oversight agency, or site survey performed by a designated independent external entity within the past 36 months. If a HDO has satellite facilities that follow the same policy and procedures, Empire may limit site visits to the main facility. Non-accredited HDOs are subject to individual review by the CC and will be considered for Members access need only when the CC review indicates compliance with Empire standards and there are no deficiencies noted on the Medicare or state oversight review which would adversely affect quality or care or patient safety. HDOs are recredentialed at least every three (3) years to assess the HDO's continued compliance with Empire standards.

A. General Criteria for HDOs:

1. Valid, current and unrestricted license to operate in the state(s) in which it will provide services to Members. The license must be in good standing with no sanctions.
2. Valid and current Medicare certification.
3. Must not be currently federally sanctioned, debarred or excluded from participation in any of the following programs; Medicare, Medicaid or the FEHBP. Note: If, once an HDO participates in the Empire programs or provider network(s), exclusion from Medicare, Medicaid or FEHBP occurs, at the time of identification, the HDO will become immediately ineligible for participation in the applicable government programs or provider network(s) as well as the other Empire credentialed provider network(s).
4. Liability insurance acceptable to Empire.
5. If not appropriately accredited, HDO must submit a copy of its CMS, state site or a designated independent external entity survey for review by the CC to determine if the Empire quality and certification criteria standards have been met.

B. Additional Participation Criteria for HDO by Provider Type:

3.10 HDO Type and Empire Approved Accrediting Agent(s)

Medical Facilities

| Facility Type (Medical Care) | Acceptable Accrediting Agencies |
|--|--------------------------------------|
| Acute Care Hospital | CIQH, CTEAM, DNV/NIAHO, HFAP, TJC |
| Ambulatory Surgical Centers | AAAASF, AAAHC, AAPSF, HFAP, IMQ, TJC |
| Birthing Center | AAAHC, CABC, TJC |
| Home Health Care Agencies (HHA) | ACHC, CHAP, CTEAM, DNV/NIAHO, TJC |
| Home Infusion Therapy (HIT) | ACHC, CHAP, CTEAM, HQAA, TJC |
| Skilled Nursing Facilities/Nursing Homes | CARF, TJC |

Behavioral Health

| Facility Type (Behavioral Health Care) | Acceptable Accrediting Agencies |
|---|---------------------------------|
| Acute Care Hospital — Psychiatric Disorders | CTEAM, DNV/NIAHO, HFAP, TJC |

| | |
|---|---------------------------------|
| Adult Family Care Homes (AFCH) | ACHC, TJC |
| Adult Foster Care | ACHC, TJC |
| Community Mental Health Centers (CMHC) | AAAHHC, CARF, CHAP, COA, TJC |
| Crisis Stabilization Unit | TJC |
| Intensive Family Intervention Services | CARF |
| Intensive Outpatient – Mental Health and/or Substance Use Disorder | ACHC, CARF, COA, DNV/NIAHO, TJC |
| Outpatient Mental Health Clinic and/or Licensed Behavioral Health Clinics | CARF, CHAP, COA, HFAP, TJC |
| Partial Hospitalization/Day Treatment—Psychiatric Disorders and/or Substance Use Disorder | CARF, DNV/NIAHO, HFAP, TJC |
| Residential Treatment Centers (RTC) – Psychiatric Disorders and/or Substance Use Disorder | CARF, COA, DNV/NIAHO, HFAP, TJC |

Rehabilitation

| Facility Type (Behavioral Health Care) | Acceptable Accrediting Agencies |
|---|---------------------------------|
| Acute Inpatient Hospital – Detoxification Only Facilities | CTEAM, DNV/NIAHO, HFAP, TJC |
| Behavioral Health Ambulatory Detox | CARF, TJC |
| Opioid Treatment Program | CARF, TJC |
| Outpatient Substance Use Disorder Clinics | CARF, TJC, COA, |

4 UTILIZATION MANAGEMENT MEDICARE ADVANTAGE PLANS

Components of utilization management for Empire Medicare Advantage plans:

- Application of Clinical Criteria Guidelines
- Referral management
- Referring out-of-network
- Providing *Advanced Beneficiary Notice of Noncoverage (ABN)*
- Prior Authorization
- Concurrent review
- Denials
- Emergency care/urgent care
- Case management
- Under and over utilization

Application of Clinical Criteria Guidelines

Empire uses Medicare coverage guidelines, nationally recognized clinical guidelines, and internally developed guidelines for medical appropriateness review. Actively practicing physicians and other relevant practitioners are involved in the development and adoption of the criteria. Medical necessity decision making includes assessing the needs of the individual patient and characteristics of the local delivery system.

Empire uses the following utilization management criteria for their MA plans:

- **Medicare Coverage Directives** are the primary criteria used in making decisions regarding coverage for the Empire Medicare Advantage plans. Medicare Advantage plans are required to provide their Medicare enrollees those services that are covered under Medicare and available to other fee-for-service Medicare beneficiaries residing in the geographic area covered by the plan. This means that coverage determinations for our members must be in accordance with CMS national coverage decisions, as well as local coverage determinations by Medicare intermediaries and carriers. Medicare Coverage Directives includes CMS National and Local Coverage Determinations or other Medicare guidance including Medicare Policy Benefit Manuals, Medicare Managed Care Manuals, Medicare Claims Processing Manuals, and Medicare Learning Network, etc.
- **Empire Medical Policy** is developed to assist in interpreting contract benefits. Medical policy includes technology assessment and medical requirements for coverage of selected technologies and services. These guidelines are available upon request.
- **Medically Necessary (or Medical Necessity)** means services, treatments, diagnostic procedures, or supplies provided to members that are medically required and appropriate to diagnose and/or treat a member's physical or mental condition. Also, such services, treatments, diagnostic procedures, or supplies must: 1) meet widely accepted evidence-based criteria and professionally recognized standards of health care; 2) not be used primarily for the comfort or convenience of the member, the member's family or caregiver, or the member's treating physician; 3) not be excessive in cost as compared to alternative services or supplies effective for the diagnosis and/or treatment of the member's physical or mental condition; and 4) not be provided to the member as an inpatient when the services or supplies could be safely and appropriately provided to the member in an outpatient setting.

Guidelines are also developed for disease management and preventive services. These guidelines are available upon request or at <https://www.empireblue.com/medicareprovider> within the MA Product pages under *Additional Information*.

4.1 Use of Clinical Guidelines

Application of criteria must be reviewed in the context of the individual member and consider age, co-morbidities, extenuating circumstances and/or complications, response to treatment, psychosocial issues, support network, and home environment. In the application of decision criteria for specific consumers, relevant characteristics of the local delivery system are considered, including, but not limited to, the availability of certain types of facilities or services within the service area and the capability of facilities or other providers to offer needed services.

The hierarchy for UM criteria application will be applied to all medical necessity determinations for coverage for services provided to members eligible for benefits under Medicare Advantage products. CMS national and local coverage guidelines are referenced first for all medical necessity reviews.

If there is no guidance or criteria available in CMS, the Empire Corporate Medical Policies followed by evidence-based guidelines, such as MCG Guidelines criteria, Compendia, NCCN (*National Comprehensive Cancer Network Clinical Practice Guidelines*) may be used.

Empire Corporate Medical Policy

Empire decision criteria incorporate nationally recognized standards of care and practice, current professional literature, and cumulative professional expertise and experience. The decision criteria used by senior business clinical reviewers are evidence based and consensus-driven. Criteria are updated as standards of practice or technology change. Actively practicing physicians and other relevant practitioners are involved in the development and adoption of the review criteria. An annual review and approval is performed by the Medical Policy and Technology Assessment Committee (MPTAC) or when applicable for certain specialty areas, another national clinical committee that utilizes comparable procedures for development of decision criteria. The criteria are reviewed annually for approval and adoption by the Empire-affiliated companies.

4.2 Referral Management

HMO members are required, and PPO members are encouraged, to select a PCP who serves as the coordinator of care to ensure access to appropriate medically necessary specialty care. When referring a member to a specialist, selecting a participating provider within our Medicare network will maximize the members benefit and minimize their out-of-pocket expenses. If you need help finding a participating provider, please call Provider Services or if you believe you must refer to a provider outside of our network, you must contact Empire in advance of that request in order for an organization determination to be made. Failure to initiate this request may result in claims denials and member liability. This includes such services as laboratories; however, it does not include urgent, emergent or out-of-area renal dialysis services.

4.3 Self-Referral Guidelines

Medicare members may self-refer for the following services:

- Screening mammograms
- Behavioral health
- Influenza and pneumococcal vaccinations
- All preventive services (for example, routine physical examinations, prostate screening and preventive women's health services, such as Pap tests)
- Case Management

Empire Medicare Advantage HMO members must obtain all routine services within the Empire provider network, unless urgent, emergent, out-of-area renal dialysis or when prior approval has been provided by the plan. Empire Medicare Advantage HMO-POS members have limited out of network coverage for routine services. All services not covered under the Point of Service (POS) benefit must be obtained within the Empire provider network, unless urgent, emergent, out-of-area renal dialysis or when prior approval has been provided by the plan.

Empire Medicare Advantage PPO members can utilize providers both in and out of the network.

- Out-of-network referrals do not require plan notification or authorization however can be requested and is encouraged for some services to ensure there is no delay in claims processing as out-of-network services are subject to a medical necessity review upon claims submission, if not precertified. Services deemed to be noncovered will result in the claim denying with member liability.
- Out-of-network services are subject to the member's out-of-network cost share. Empire Medicare Advantage PPO members also will have less out-of-pocket expense if they select a provider in the network.

4.4 Referral Guidelines

HMO PCPs may only refer members to Empire Medicare contracted network specialists to ensure the specialist receives appropriate clinical background data and is aware of the member's ongoing primary care relationship. If a member does not have out-of-network benefits, has expressed a desire to receive care from a different specialist or you believe the required specialty is not available within the contracted network, contact Empire directly for prior authorization. Referring a Medicare member out-of-network who does not have the benefit will result in the claim denying with member liability unless urgent, emergent, out-of-area renal dialysis or if prior authorization was received by the plan. Contact Empire directly for prior authorization. Although not required, prior authorization is encouraged for PPO members who want to receive notification of advanced coverage when utilizing an out-of-network provider for services generally precertified.

4.5 Providing Noncovered Services Advanced Notification

For services that require prior authorization or are noncovered by the plan (in other words statutory exclusion), it becomes extremely important that Empire authorization procedures are followed. If a member elects to receive such care, the member cannot be held financially responsible unless notified in advance of the noncovered services. In such cases when the network physician fails to follow Empire authorization protocols, Empire may decline to pay the claim in which case the physicians will be held financially responsible for services received by the member. Again, CMS prohibits holding the member financially responsible in these cases.

CMS issued guidance concerning the Advanced Beneficiary Notice of Noncoverage (ABN). The ABN is a Fee-for-Service document and cannot be used for Medicare Advantage denials or notifications. Per the [*CMS Medicare Claims Processing Manual*](#) (page 4), the ABN is given to beneficiaries enrolled in the Medicare Fee-For-Service program. It is not used for items or services provided under the Medicare Advantage (MA) Program or for prescription drugs provided under the Medicare Prescription Drug Program (Part D). CMS advised Medicare Advantage plans that contracted providers are required to provide a coverage determination for services that are not covered by the member's Medicare Advantage plan. This will ensure that the member will receive a denial of payment and accompanying appeal rights.

If you have any doubt about whether a service is not covered, please seek a coverage determination from the plan.

4.6 Access to Care and Services

Empire may not deny, limit, or condition the coverage or furnishing of benefits to individuals eligible to enroll in a Medicare Advantage (MA) plan offered by an organization on the basis of any factor that is related to health status. This includes but is not limited to the following: medical condition, claims experience, receipt of health care, medical history, genetic information, evidence of insurability and disability, except as it relates to end-stage renal disease. The Empire MA Plans must meet the requirement to provide coverage and payment for all services that are covered under Part A and Part B of Medicare. The Medicare Advantage Organization must ensure that all covered services, including additional or supplemental services contracted for by the Medicare enrollee, are accessible under the plan. Medically necessary services must be available 24/7.

Empire has established performance measures to assist in developing and maintaining adequate providers and practitioners in all our Medicare Advantage networks. Performance is monitored at least annually and strategies are developed as needed to overcome deficiencies in the networks. Other pertinent sources of information for reviewing network adequacy include appeals and complaints regarding access and availability. Out-of-network referrals are approved for Empire HMO members when providers and practitioners are not available or accessible in the members' geographic locations. There are also instances where an in-network provider is not available for members in our Local and Regional PPO's. In those instances, the in-network provider should collaborate with our utilization management area to obtain authorization for out of network services. In certain circumstances, the member may only be responsible for the in-network cost sharing.

Providers and suppliers must be located throughout the service area. Services are generally considered accessible if they reflect usual practice and travel patterns in the local area. Generally, hospital and PCP services must be within 30 minutes travel time for members. This guideline does not apply if usual travel patterns in a service area for hospital and primary care services exceed 30 minutes as in some rural areas.

Appointment access standards for primary care services are:

| Service | Access Requirement |
|-----------|--|
| Emergency | Immediate 24 hours a day/seven days a week access available — for emergent diagnoses. Behavioral health providers must be available to assess a patient experiencing an emergent situation within 6 hours. |
| Urgent | Within 48 hours — including behavioral health urgent services. |
| Routine | Within 10 business days — including behavioral health routine services. |

Organizations and providers who contract with the Empire MA network are required to establish and implement appropriate treatment plans for a member with complex and serious medical conditions. Accordingly, an established treatment plan must include an adequate number of direct access visits to relevant specialty providers. Treatment plans must be time-specific and updated by the PCP.

The Empire medical management department will coordinate authorizations for members affected by a provider termination when they are undergoing treatment for specific conditions. Members not undergoing treatment at the time of a provider termination will be referred to their PCP for a referral to another participating provider of that like specialty.

Plans may select the providers through whom services are provided as long as:

- The plan makes services available and accessible within the service area with reasonable promptness and in a manner, which assures continuity.
- The plan provides access to appropriate providers, including credentialed specialists, for medically necessary care; and if a network provider is unavailable or inaccessible then the MA organization must arrange for services outside of the network.
- Coverage is provided for emergency services without regard to prior authorization or whether the provider was a participating provider.
- The plan maintains and monitors a network of appropriate providers.
- The plan gives women enrollees direct access to women's health specialists within the network for women's routine and preventive health care services.
- The plan establishes written standards for timeliness of access to care and customer service that meet or exceed standards established by CMS and continuously monitors to assure continuous compliance with standards.
- The plan ensures services are provided in a culturally competent manner.
- The plan ensures services are available 24/7 when medically necessary.
- The MA organization ensures continuity of care and integration of services and makes a "best effort" attempt to conduct an initial assessment of an enrollee's health care needs within 90 days of enrollment.

** Not all contracting providers have to be located within the service area, but CMS must determine that all services covered under the plan are accessible from the service area.*

4.7 Direct Access to Preventive/Routine Gynecological and Mammography Services

Women enrollees may choose direct access to a women's health specialist within the network for routine and preventive health care services provided under the plan as basic benefits. These services include annual Pap testing and mammography exams. No referrals are required for routine gynecological exams or mammography services provided by a network provider for the Medicare HMO. Members in the Medicare Advantage PPO may choose either a network or a non-network provider. Please refer to the most recent Medicare Advantage provider directory for the Mammography Center and OB/GYN specialty provider listings. Our provider directories are also available online at <https://www.empireblue.com/medicareprovider>

4.8 Direct Access to Influenza and Pneumococcal Immunizations with no Cost Sharing

Empire strongly encourages all members to receive influenza and pneumococcal immunizations. No referral or copay for the immunization is required.

4.9 Prior Authorization

Empire must be notified of as early as possible before all planned inpatient admissions and no later than one business day after an unplanned inpatient admission. For services including but not limited to: selected diagnostic, outpatient and inpatient procedures, prior authorization must be requested at a minimum of 72 hours in advance. UM associates will be requesting relevant clinical information, including signs, symptoms, treatment plans, diagnostic test results, medical records and attempts at conservative treatment (when appropriate) in order to complete the prior authorization process.

Providers are required to provide notification in advance of services to allow Empire to meet CMS processing timeframes:

Medical:

- Standard — 14 calendar days
- Expedited — 72 hours

Pharmacy (Including Part B Medical injectables)

- Standard — 72 hours
- Expedited — 24 hours

NOTE: Empire requires notification within one business day for all ER admissions.

CMS defines an expedited/urgent request as a request in which waiting for a decision under the standard time frame could place the member's life, health or ability to regain maximum function in seriously jeopardy. Contracted providers should submit requests in accordance with CMS guidelines to allow for organization determinations within the standard turnaround time, unless the member urgently needs care based on the CMS definition of an expedited/urgent request.

4.10 Interactive Care Reviewer (ICR)

The Empire ICR is the preferred method for the submission of preauthorization requests offering a streamlined and efficient experience for providers requesting inpatient and outpatient medical services. Additionally, providers can use this tool to make inquiries on previously submitted requests regardless of how they were sent.

- Initiate preauthorization requests online, eliminating the need to call or fax. ICR allows detailed text, photo images and attachments to be submitted along with your request.
- Make inquiries on previously submitted requests using digital tools.
- Instant accessibility from almost anywhere including after business hours.
- Use the dashboard to provide a complete view of all UM requests with real-time status updates including email notifications if requested using a valid email address.
- Real-time results for some common procedures with immediate decisions.
- Access ICR under *Authorizations and Referrals* via the Availity Portal (<https://www.availity.com>).

To register for an ICR webinar use the attached link: [Register Here](#) to attend the next webinar.

For an optimal experience with the Empire ICR, use a browser that supports 128-bit encryption. This includes Internet Explorer, Chrome, Firefox or Safari. The Empire ICR is not currently available for the following:

- Transplant services.
- Services administered by vendors such as Carelon Medical Benefits Management, Inc. (For these requests, follow the same prior authorization process you use today.)

Our website will be updated as additional functionality and lines of business are added throughout the year.

An Empire Medical Management Clinician will review each request for admission, procedures or services. If evidence-based criteria are met, the review clinician will document clinical data and authorize the requested service. Approval letters are mailed to the member, the PCP, the hospital and the attending physician within one business day of the decision. If the review nurse determines that the criteria are not met, or there is insufficient information to complete a review, the request for service is referred to a medical director for review. Only physicians, or other appropriate healthcare professionals, as defined by CMS, are able to render medical necessity denials. If a denial decision is indicated, the notification includes information regarding the appeal process, availability of a physician to discuss the case, and the reason for the denial including the specific clinical criteria or benefits provision.

Appropriately licensed and trained professionals make UM decisions according to established criteria. Nonclinical associates, under the supervision of a licensed professional, may collect nonclinical data and may approve cases that do not require clinical review. Board-certified practitioners are utilized in making decisions of medical necessity. Again, only physicians, or other appropriate healthcare professionals, as defined by CMS, are able to render denials. Practitioners from appropriate specialty areas are used as needed for medical necessity reviews and appeals.

Please contact your local provider relations department to obtain the most current copy of the MA prior authorization list.

4.11 How to request a Prior Authorization

Failure to request a prior authorization for an admission or provide notice of emergent inpatient admission will result in an administrative denial. Notify Empire as early as possible before a planned admission and no later than one business day after an unplanned inpatient admission.

If the required prior authorization is not obtained within the specified time frame, the claim will be administratively denied due to failure to notify Empire of the admission. The provider will not receive payment for the service. Providers cannot bill the member for these denied services.

If you do not notify us within the required time frame, you may file a plea indicating the reason for the failure to provide timely notification as per above. **Appeals for failure to provide timely notification will not be reviewed clinically until the late notification denial is resolved.** When submitting a response to a denial for failure to notify, the reason for the failure to provide proper notification should be presented. If your justification is accepted, the case will be sent for initial review and any adverse determination for medical necessity will be provided with subsequent appeal rights. Note, Empire will not request information to justify the reason for late or no notification, nor if the notification requirement is waived will Empire request medical records for any subsequent review.

To verify member eligibility, benefits and account information or to request assistance on using our online authorization portal, please call the telephone number listed on the back of the member's identification card.

Prior Authorizations, Observation and Timely Notification Reminders for Medicare Advantage Members

Getting the best care in the most appropriate setting is key to achieving the best outcomes for our Medicare Advantage members. These members rely on their health care professionals and their health plan to help coordinate this important aspect of their care. To do this, timely requests for service and communication is essential.

Please be aware of the following considerations and requirements to help ensure effective coordination of care for Medicare Advantage members and assure consistent application of the Centers for Medicare and Medicaid Services guidelines and /or nationally recognized evidence based medical necessity guidelines) for pre- and post-service medical necessity and site of service reviews.

Emergent Inpatient Acute Medical Admissions

Hospitals are required to notify and/or obtain an authorization as early as possible, but no later than within one business day of admission. The process for decision making is fastest when all supporting clinical information is submitted and includes test results (as applicable) and member's response to emergency treatment.

Planned Inpatient Admissions

Prior authorization is required for **all** planned inpatient admissions. The request for prior authorization for a planned inpatient stay should occur as soon as the provider determines the need for the inpatient admission. Providers should submit prior authorization requests in advance of the inpatient admission to allow for CMS processing timeframes. CMS standard processing timeframe is 14 calendar days, expedited processing timeframe is 72 hours. Services may not be reimbursable if the prior authorization is not obtained.

Hospital observation, in-patient admission and timely notification

Please notify us as soon as possible following admission but no later than within one business day of admission.

If we don't receive notification of admission, a retrospective review for medical necessity and site of service per the above hierarchy of review, will be conducted when the claim is submitted.

4.12 Inpatient Acute Concurrent Review

Empire performs concurrent review for Medicare Advantage members at contracted in-area hospitals. The review's purpose is to continuously improve medical care by:

- Determining the need for continued stay
- Initiating discharge planning and case management.

4.13 Skilled Nursing Facility

Prior Authorization for admission to skilled nursing facilities

According to CMS guidelines, patients should be admitted to a skilled nursing facility when "... as a practical matter, considering economy and efficiency, the daily skilled services can be provided only on an inpatient basis in a SNF.*

Skilled nursing, acute rehabilitation and long-term care facilities are required to obtain prior authorization for Medicare Advantage members before that member can be admitted. For the member to receive maximum benefits, the health plan must authorize or precertify the admission. To assure payment

according to contract, before a Medicare Advantage member is transferred to the receiving facility, the facility must notify the plan and receive prior authorization for that transfer.

Please note:

- Prior Authorization includes a review of both the service and the setting.
- Please present the request for admission to a skilled nursing facility, acute rehabilitation facility, and/or long-term acute care facility prior to admission.
- Please provide all supporting documentation with the request for prior authorization at the time of the request for admission.
- If the required prior authorization is not obtained prior to the service, the claim may be administratively denied for all days accrued prior to receiving an approval for admission, in accordance with your provider contract.
- To obtain prior authorization or to verify member eligibility, benefits and account information, please call the telephone number listed on the back of the member's identification card.

Please refer to your provider agreement, this provider manual, and the Medicare Advantage *Prior Authorization Guidelines* found at the Medical Policy, UM Guidelines and Prior Authorization Requirements link on the Empire provider home page at www.Empire.com/medicareprovider for further information on prior authorization and prior authorization requirements.

Please share this information with clinical staff and others involved with facility authorization and admissions.

We look forward to working with you and your colleagues to ensure our members are discharged at the right time clinically, to the right place and achieve the best clinical outcome.

Empire will coordinate skilled nursing facility (SNF) benefits for our Medicare Advantage members. Inpatient SNF coverage is limited to 100 days each benefit period based on medical necessity. Empire Medicare Advantage plans waive the Original Medicare requirement for the three-day inpatient hospital stay for skilled coverage. Thus, the physician may directly admit a member into a SNF from various sites, including the office, home or from an observation stay.

Care in a SNF is covered if **all** of the following three factors are met:

- The patient requires skilled nursing services or skilled rehabilitation services, in other words, services that must be performed by or under the supervision of professional or technical personnel.
- The patient requires these skilled services on a daily basis.
- The skilled services can be provided only on an inpatient basis in a SNF.

If any one of these three factors is not met, a stay in a SNF, even though it might include the delivery of some skilled services, may not be covered. If a stay in a SNF is not covered, Medicare Part B services may still be obtained and members will be assessed the applicable copays. A benefit period is used to determine coverage under the Empire Medicare Advantage plans in the same manner as Original Medicare. A benefit period starts with the first day of a Medicare covered inpatient hospital or SNF stay and ends when the member has been out of the hospital or SNF for 60 consecutive days.

** Medicare Benefit Policy Manual Chapter 8 - Coverage of Extended Care (SNF) Services Under Hospital Insurance (Rev. 155, 04-20-12)*

Inpatient stays solely to provide custodial care are not covered under Empire Medicare Advantage plans. Custodial care is defined as care furnished for the purpose of meeting non-medically necessary personal

needs that could be provided by persons without professional skills or training. This care includes help with walking, dressing, bathing, eating, preparation of special diets, and taking medication. Empire Medicare Advantage plans or Original Medicare does not cover custodial care unless provided in conjunction with daily skilled nursing care and/or skilled rehabilitation services.

The obligation on the provider to follow coverage limits for Original Medicare benefits (as provided in 42 CFR 422.100) must be met whenever a provider furnishes Original Medicare, SNF and inpatient hospital services to enrollees of Medicare Advantage organizations. This obligation applies to all SNFs and applies to both teaching and nonteaching hospitals. This obligation can be implemented by providers submitting to Medicare Administrative Contractors (MACs) no-pay claims (with condition code, 04). It is also the provider's obligation to keep an audit trail on these claims.

4.14 Home Health Services

For a member to qualify for home health benefits, the member must be confined to the home, be under a plan of treatment reviewed and approved by a physician, and require a medically necessary qualifying skilled service. Under the Empire Medicare Advantage plans, the member does not have to be bedridden to be considered confined to home. The condition of the member should be such that there exists a normal inability to leave the home and, consequently, leaving the home would require considerable and taxing effort. If the member leaves the home, the member is still considered homebound if the absences from the home are infrequent, for periods of relatively short duration or to receive medical treatment. Home care includes the following services:

- Part-time or intermittent skilled nursing and home health aide services
- Physical, occupational, and speech therapy
- Medical social services
- Medical supplies
- DME
- Portable X-rays and EKGs
- Laboratory tests

4.15 Denials

Pre-Service Denials and Lack of Information

Lack of information denials may not be issued to Empire Medicare Advantage (MA) members. CMS does not recognize denials due to a lack of information. Therefore, when there is not enough information to certify or deny a requested service requiring utilization management review, further attempts must be made to collect the missing information. If sufficient information is not received, the pre-service request will be referred to the medical director or physician consultant for medical necessity determination.

Denials for emergent inpatient admissions, discontinuation of coverage

Based on the application of our clinical criteria guidelines, if the admission or continued inpatient stay does not meet medical necessity criteria, it is referred to the medical director or physician consultant for medical necessity determination. Physician review decisions are made within one working day. Plan providers are also entitled to a physician-to-physician review. Hospitals must notify Medicare Beneficiaries who are hospital inpatients about their discharge appeal rights by complying with the requirement for providing the Important Message from Medicare (IM), including the time frames for delivery. For a copy of the notice and additional information regarding this requirement, go to: http://www.cms.hhs.gov/BNI/12_HospitalDischargeAppealNotices.asp.

Notice of Medicare Noncoverage Requirements

CMS requires 100% compliance of providers to deliver a *Notice of Medicare Non-Coverage (NOMNC)* to every Medicare beneficiary at least two days prior to the end of their skilled nursing facility, home health, or comprehensive outpatient rehabilitation facility (CORF) care. Additionally, CMS requires Medicare inpatients to receive written information about their discharge rights. CMS has defined how this “Important Message from Medicare” (IM) is to be delivered by hospital facilities to Medicare beneficiaries.

Empire has established policies and procedures that require skilled nursing facilities, home health agencies, and CORFs to comply with the CMS mandatory requirement for all Medicare beneficiaries enrolled in Medicare Advantage Plans to receive a valid *Notice of Medicare Non-Coverage (NOMNC)*, in a timely manner at the termination of care by a skilled nursing facility (SNF), home health agency, or CORF to allow the member the opportunity to appeal to the Quality Improvement Organization (QIO), in the event they disagree with the termination of services.

Empire responsibility and liability for SNF termination of services

When Empire makes a decision to terminate coverage of a member’s services in a SNF, a valid *NOMNC* is sent to the SNF for the member to receive the *NOMNC* at least two calendar days in advance of the services ending, even if the member agrees with services ending, in compliance with CMS regulation.

Empire is extending the notice period up to 8 p.m. (in the time zone the facility is located), with the next two calendar days following the date of the denial notice to be considered the required two-day notice.

Below is an outline of determining the last approved day after the decision has been rendered to end services:

| If denial notice (<i>NOMNC</i>) issued with confirmation of verbal notification and appeal information provided to the member, on the below day and time in the time zone the facility is located | Then last approved day (LAD) will be on | Members’ discharge will occur or member financial responsibility will begin on |
|---|---|--|
| Monday (12 a.m. to 8 p.m.) | Wednesday | Thursday |
| Tuesday (12 a.m. to 8 p.m.) | Thursday | Friday |
| Wednesday (12 a.m. to 8 p.m.) | Friday | Saturday |
| Thursday (12 a.m. to 8 p.m.) | Saturday | Sunday |
| Friday (12 a.m. to 8 p.m.) | Sunday | Monday |
| Saturday (12 a.m. to 8 p.m.) | Monday | Tuesday |
| Sunday (12 a.m. to 8 p.m.) | Tuesday | Wednesday |

The Empire verbal notification to the member and/or verbal or fax receipt confirmation of the delivery of the *NOMNC* submitted prior to 8:01 p.m. (in the time zone the facility is located), will be considered a valid delivery date/time to the facility.

Empire Contracted SNF Provider Responsibility and Liability

The SNF providers are responsible for delivering the *NOMNC* on behalf of Empire, to the member or representative **and** for obtaining signature(s) the same day received by Empire, but no later than two days before the member’s covered services end. In the event the SNF is not able to deliver the *NOMNC* and obtain signature(s) the same day Empire issues the *NOMNC*, the SNF provider is responsible for reissuing a *NOMNC* with the appropriate LAD to allow the member at least two calendar days in advance of the services ending.

In the event the member is in need of an authorized representative to acknowledge/sign the *NOMNC*, and the SNF is unable to deliver it to the authorized representative the same day Empire issues it, the SNF should telephone the representative the same day the *NOMNC* is issued, to advise him/her when the beneficiary's services are no longer covered. The date of the conversation is the date of the receipt of the notice. The *NOMNC* must be annotated to note the name of the staff person initiating the contact, the name of the member representative contacted by telephone, the date and time of the telephone contact, and the telephone number called. The annotated *NOMNC* must be mailed on the same day. The SNF must retain a copy of the annotated *NOMNC* in the member's medical records.

The SNF provider is also responsible to issue a *NOMNC* (created by the SNF provider) for members who services are expected to be fewer than two days duration or when a guaranteed discharge date is in place.

Liability will remain with the SNF in the event the acknowledgement of receipt and delivery of the *NOMNC* to the member or member's representative is not completed within the same day received. The authorization through the last approved day (LAD) will remain the same for the facility. The member may receive a new *NOMNC* with a new LAD to extend the covered services, with no liability to the member or Empire, in order to allow the member adequate days/time to appeal to the QIO, should the member disagree with the termination of services.

Empire Medicare Advantage Member Responsibility and Liability

The member or representative is responsible for acknowledging receipt of the *NOMNC* by signing the document. The member or representative is also responsible for contacting the QIO (no later than noon of the first day after receiving the *NOMNC*), if he or she wishes to appeal the termination and obtain an expedited review. The member may also make an expedited pre-service appeal request to the Empire Medicare Complaints, Appeals and Grievances Department should they miss their time frame for appealing to the QIO and are still in the facility.

Liability for the member will begin the day following the last approved day as specified on the *NOMNC*, should the member choose not to appeal the termination of services.

Note: QIOs must be available to receive a member's appeal request 24 hours a day, seven days a week.

Refer to the Provider and Member liability section of the provider contract with Empire for further details.

4.16 Preservice denials

When a contracted provider is denied a pre-service request for a member, federal regulations require the Medicare Advantage Organization to issue written notice of the denial (a *Notice of Denial of Medical Coverage (NDMC)* also known as the Integrated Denial Notice (IDN)) informing the member of his/her appeal rights. Therefore, a physician or practitioner is required as a matter of routine to notify members about their right to receive such information. The notice to the member must provide, in addition to information about the right to receive detailed information, all information necessary to allow the member to contact the health plan.

4.17 Special Rules for Emergency and Urgently Needed Services, Post-Stabilization Care, and Ambulance Services

The Empire MA plans are financially responsible for emergency services provided by contracted and

noncontracted providers where services are immediately required because of an emergency medical condition. The plan is also financially responsible for urgently needed services, post-stabilization care, and ambulance services, including ambulance services dispatched through 911 or its local equivalent, where other means of transportation would endanger the beneficiary's health.

A Medicare Advantage Organization is required to cover emergency services for its MA members regardless of whether the services were preauthorized or the organization has a contractual agreement with the provider of the services. Therefore, emergency services for members are covered without regard to prior authorization or whether services were provided in or out of the service area.

Emergency medical condition means a medical condition manifesting itself by acute symptoms of sufficient severity such that a prudent layperson, with an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in:

- Serious jeopardy to the health of the individual
- Serious impairment to bodily functions
- Serious dysfunction of any bodily organ or part.

Urgently needed services are not emergency services as defined above, but are covered services which are medically necessary and immediately required as a result of unforeseen illness, injury or condition and it was not reasonable, given the circumstances, to obtain the services through the organization. For example, urgently needed services are covered when:

- An enrollee is temporarily absent from the MA plan's service area.
- When the enrollee is in the service area and there are extraordinary circumstances that cause the provider network to be temporarily unavailable or inaccessible.

Post-stabilization care is defined as covered services pertaining to an emergency medical condition provided after the member is stabilized. It is to be determined by the attending physician and under specific circumstances includes care to improve or resolve the enrollee's condition. The treating physician is responsible for determining when the member is considered stabilized for transfer or discharge. For the purposes of this requirement, post-stabilization care and maintenance care are used synonymously. The plan's financial responsibility for post-stabilization care services includes:

- Any service administered, even though not preapproved by the plan or its representative, during the one-hour period following the request to the MA organization for preapproval of further post-stabilization care.
- Services administered to maintain, improve, or resolve the enrollee's stabilized condition if the MA organization does not respond to the request for preapproval within one hour.
- The MA organization's representative and the treating physician cannot reach an agreement concerning care decisions and a plan physician is not available for consultation.

The plan's financial responsibility for post-stabilization care ends when:

1. A plan physician with privileges at the treating hospital assumes responsibility for the member's care.
 - A plan physician assumes care through transfer.
 - The MA organization's representative and the treating physician reach an agreement on the member's care.
 - The member is discharged.

4.18 Case Management

Case management is a collaborative process that assesses, develops, implements, coordinates, monitors, and evaluates case management plans designed to optimize members' health care benefits while empowering the members to exercise the options and access the services appropriate to meet their individual health needs, using communication and available resources to promote quality and effective outcomes. The program utilizes proprietary predictive models to identify members with a variety of conditions who may potentially benefit from case management. Members who might benefit from case management are identified through a referral process. Case management referrals will be accepted from both internal and external sources.

- Internal sources include, but are not limited to, utilization management associates, customer service associates, account managers, appeals/grievance associates, and sales staff.
- External sources include, but are not limited to, hospital staff, discharge planners, social services, physicians and other health care providers, members or their families.
- Empire discharge planners collaborate with all pertinent parties in the development of the discharge plan (in other words, PCP, specialist, Medical Director) to ensure the members needs are met before the member leaves the hospital setting. Empire has designed a platform that provides a single point of contact to providers and facilities to ensure effective and collaborative discharge planning – of which streamlines the process for our providers while providing a more proactive, informative, and comprehensive transition for the member and their care partner to fully understand the care plan in other words, ensuring ancillary needs are met (DME received before member returns home, home infusion training is required, etc.). Additional intensified discharge planning efforts also include:
 - Performing medication reconciliation
 - Refer members to high-risk condition management programs, where applicable
 - Manage palliative care needs and refer to hospice when appropriate
 - Integrate psych and social workers where necessary

In addition, case referrals can be generated prospectively from the UM system during the prior authorization process and retrospectively from the claims system through claims data analysis and data review activities. Referrals may also be made as part of the new enrollee health screening outreach process that occurs within 90 days of the effective date of enrollment. Essential functions of an Empire case manager include the following:

Assessment: The case manager collects and analyzes data about actual and potential member needs. This may involve gathering data in relation to the member's medical issues, cognitive status, and functional status. After the data is analyzed, there is the planning, implementing and evaluation of the case management plan.

Planning: The case manager develops a member centered case management plan. This plan is developed in conjunction with the physician and specifies goals that meet the benefit needs of the member in the best way possible. This means identifying both short and long-term goals. It is essential that the case manager understand the benefits contained in the member's plan in order to formulate a case management plan.

Linking/coordination: The case manager helps ensure continuity of care and integration of benefits across a variety of settings. Coordination is achieved through communication with the member, family and providers. The case manager may also coordinate with existing community-based programs and services. Case management will also address the multidimensional benefit needs of the individual member to help promote continuity of care.

Monitoring/evaluation: Case management will monitor interventions, based upon benefits, to help make sure that they are in accordance with the case management plan and that they are effective. Revisions will be made as needed. If these goals are not being met then the case manager should work with the member to modify the plan for the member.

Advocacy: The case manager should incorporate the member's needs and goals in the plan. Case managers should gather input from all relevant parties to help ensure continuity of benefits so that the member will achieve optimal results. Case managers are required to help protect the privacy and confidentiality of members at all times. Case managers should also present their limitations due to potential conflicts of interest between the member and Empire.

4.19 Stars Outbound Call (OBC) Program

The Medicare Advantage Stars Outbound Call (OBC) Program plays a key role in addressing the Empire approach for Medicare Advantage members in improving their healthy by getting the quality of care they need at the right time and in the right setting through conducting an outbound call to members and or providers to communicate the importance of obtaining preventive services such as colorectal screening, mammograms, annual wellness visits, and retinal eye exams.

By closing members gaps in care, this will help improve member health outcomes. Focused questioning by our Patient Education Coordinators (PEC), pharmacists, and technicians address key clinical measures to ensure our members receive the right care at the right time.

This program allows members to be proactively involved in their own care by notifying them of preventive screenings that can detect and help prevent chronic illness and highlighting the potential benefit of the proactive behavior. Focused scripting and call messaging allows for barrier assessment and provides actionable messaging aligned with behavior change. Members with barriers to care are offered assistance with transportation coordination, financial needs, or provided access to community resources within their respective area. Care coordination is offered along with referrals to a pharmacist, nurse, or social worker to address any issues or to receive assistance with scheduling recommended care.

4.20 Under and Over Utilization

Empire has established measures to detect potential under and over utilization of services. Inpatient, outpatient, and ambulatory care utilization reports are monitored regularly against targets. Actions are implemented as needed.

Empire does not compensate, reward or give incentives, financially or otherwise, to its employees, consultants, or agents for inappropriate restrictions of care. Utilization review decision making for the Empire MA plans is based solely on appropriateness of care and service and in accordance with applicable Medicare coverage criteria and guidelines.

4.21 Readmission Review Process

Readmission

For all services reimbursed by a DRG Rate or Case Rate, a readmission within 30 days of the discharge of the first admission for a related diagnosis or procedure, a complication arising out of the first admission, a

readmission for services that should have been rendered during the previous admission, or a premature discharge is considered part of the original admission for reimbursement.

The specific situations for which the readmission payment may be considered part of the original admission for reimbursement are:

- Member is discharged before all medical treatment is rendered. Care during the second admission should have occurred during the first admission.
- Member is discharged without discharge criteria being met, including the clinical and level of care criteria.
- Member is discharged from the hospital after surgery, but is readmitted within 30 days. The standards of care for evaluating the patient for known complications are not documented in the record. The readmission is due to a direct or related complication from the surgery.
- Member discharged from the hospital with a documented plan to readmit within 30 days for additional services (doctor requested, member requested).
- Member is discharged to allow resolution of a medical problem that, unless resolved, is a contraindication to the medically necessary care that will be provided during the second admission.
- Member is discharged meeting discharge criteria but nonclinical factors have not been addressed, and member has had previous 30-day admits. Member has issues or barriers that require discharge plans beyond the typical.

If a subsequent admission is reimbursed at a methodology other than a DRG or Case Rate (in other words, Per Diem Rate or %age Rate), then Empire shall only reimburse the facility for the DRG or Case Rate of the original admission. None of these scenarios shall be combined to qualify for outlier reimbursement, if applicable. If facility is an acute care hospital and is part of a hospital system operating under the same *Facility Agreement*, and/or if the facility shares the same tax identification number with one or more acute care hospitals, then a readmission during the same 30 day period to another acute care hospital within the system, and/or another acute care hospital operating under the same tax identification number as the facility, shall be subject to this readmission provision.

4.22 Model of Care

We have a model of care program in place for members of our Special Needs Plans (SNPs). Our model of care program is comprised of the following elements:

1. Evaluating our population and creating measurable goals designed to address the needs identified to improve care in the following areas:
 - Improving access and affordability of the health care needs of the population
 - Improvements made in coordination of care and appropriate delivery of services through the direct alignment of the health risk assessment (HRA), Individualized Care Plan (ICP) and Interdisciplinary Care Team.
 - Enhanced care transitions across all health care settings and providers
 - Ensuring appropriate utilization of services for preventive health and chronic conditions.
 - Goals specific to the population may be defined as part of our model of care.
2. Our staff structure and care management roles are designed to manage the special needs population. Each SNP member is assigned an interdisciplinary care team which may include any of the following: nurses, physicians, social workers, pharmacists, our member, behavioral health specialists, or other participants as determined by the member.
3. We work to complete an HRA on each new member within 90 days of eligibility and annually before the anniversary of the last HRA. As some individuals may be difficult to reach by phone, our team may contact your office for updated contact information.

4. Based on the results of the health risk assessment, an Individualized Care Plan (ICP) is developed by the case manager working directly with the member, and the interdisciplinary care team to address identified needs. The ICP includes interventions designed to educate, inform and serve as an advocate for our members. Use of community resources is facilitated for the member, and benefits are coordinated between Medicare and Medicaid for our dual special needs members. The member's care plan should coordinate with and support your medical plan of care.
5. An interdisciplinary care team (ICT) is assigned to each member and is responsible for reviewing the care plans, collaborating with providers and providing recommendations for management of care. You and/or your patient may be asked to participate in the care planning and management of the plan of care.
6. We have a contracted provider network having special expertise to manage the special needs population and monitor the use of *Clinical Practice Guidelines* by the contracted providers. Roles of providers include advocating, informing and educating members, performing assessments, diagnosing and treating. If you believe our local network does not meet all of your members' specialized needs and would like to recommend possible additions to our network, please contact provider relations at the number on the members' identification card or discuss with the case manager.
7. We are committed to effective, efficient communication with you. We have developed a communication system to support effective information between you, your members and our care team. Information from our internal systems are available to you through the provider portal and may assist you in managing your patient's care. You can access claim information, the care plan, medication history, the HRA results and see other providers involved in providing care to the member. Our case managers may reach out to you to discuss needs identified during our case management process and provide important information to assist in coordinating care. You may also receive a copy of the care plan or a phone call from the case manager asking you to review, make comments or recommendations about the care plan or the needs identified during the care planning process. As an enhancement, our PCPs have the ability to register and receive a daily list of the members who have completed the HRA and/or have an updated care plan available for you to review. You may reach your members' care team by calling the number provided to you on any correspondence or the number on the members' identification card.
8. We support transitions in care for your patients. Special needs plan members typically have many providers and may transition into and out of health care institutions. Our Care Management team may contact you and your patient related to certain types of transitions. If you are aware of an upcoming care transition for your patient and would like our team to assist in the coordination, please notify us at the number provided on the members' identification card. Care transition protocols and your role in this process are communicated in this manual.
9. Performance and health outcome measurements are collected, analyzed and reported to measure health outcomes and quality measures and also to evaluate the effectiveness of the model of care.
10. SNP model of care training is required annually and available to providers, employees and contractors. The training may be provided to you in your provider manual, through newsletters, provider orientation, or on our provider portal.

Annual Program Evaluation

Each year an evaluation of the model of care occurs to identify any modifications that are needed and assess progress toward meeting the program goals. Throughout the year, we periodically review our program to assist us in early identification of any potential issues that may require actions. The results of our defined goals are included as part of the program evaluation. When necessary, we develop action plans for goals that may not be trending toward our benchmarks.

One of our desired outcomes as part of the model of care is to assist you in managing and coordinating care in order to improve the health status and outcomes of your patients. If you have any input regarding our model of care, we welcome your feedback.

4.23 Empire Care Transition Protocols and Management

Assisting with the management of transitions is an important part of our case management and model of care. Members are at risk of fragmented and unsafe care during transitions between care settings and levels of care. To help members and caregivers navigate transitions successfully, assistance is provided through many touch points and through educational materials. Transitions in care refer to the movement between health care providers and settings and includes changes in a member's level of care. Examples of transitions include transitions to and from: acute care, skilled nursing facility, custodial nursing facility, rehabilitation facility, home, home health care, and outpatient or ambulatory care centers. A team approach is necessary to assist the member with a successful transition.

Managing transitions includes protocols such as assisting with logistical arrangements, providing education to the member and care giver, coordination between health care professionals and a provider network with appropriate specialists who can address the complex needs of the special needs population. Transitional care includes both the receiving and sending aspects of the transfer. Transitional care management assists in providing continuity of care by creating an environment where the member and the provider are cooperatively involved in ongoing health care management with goal of providing access to high-quality, cost-effective medical care.

Personnel Responsible for Coordinating Care Transition

Providers are essential members of the ICT and should assist members by coordinating care and communicating with members of the ICT. Members are connected to the appropriate provider to care for their individual needs including any complex medical conditions. The PCP is responsible for coordinating and arranging referrals to the appropriate care provider.

When services are not a covered benefit, coordination with community resources occurs to meet the needs of the population. For our dual population, you are required to coordinate between Medicare and Medicaid. Coordination with Medicaid services includes coordination of benefits and also working with Medicaid case managers/service coordinators and providers of long term services and supports (LTSS) to close care gaps. In some of our markets this coordination may also extend to state agencies providing or coordinating Medicaid benefits and services.

Protocols outlining the expectations for managing transitions may be communicated to the provider network through newsletters, published in the provider manual or on the provider portal. Below are some additional protocols for managing transitions not previously addressed in the provider responsibilities:

- Participate in the interdisciplinary care team meetings
- Notify the member in advance of a planned transition
- Provide documentation to the provider or facility about the member to assist in providing continuity of care
- Communicate and follow up with the member about the transition process
- Communicate health status and plan of care to the member
- Provide a treatment plan/discharge instructions to the member prior to being discharged from one level of care to another
- Provide the relevant patient history to the receiving provider prior to a known transition
- Forward any pertinent diagnostic results to the treating provider
- Communicate the treatment plan and any test results to the referring provider post transition

We assist our members and providers in the management of transitions in multiple ways within our care management programs. The actions below represent some of the ways our care team works with our providers and members to coordinate care and assist in the management of transitions:

- Communicates with the provider to discuss the member's care needs as identified during case management or model of care activities.
- Assist the member in making appointments
- Coordination between Medicaid and Medicare benefits
- Perform medication reconciliation
- Arranging transportation
- Refer to external or internal programs
- Coordinate care with behavioral health
- Assist with arranging durable medical equipment (DME) and home health services
- Coordinate and facilitate transitions to the appropriate level of care
- Provide the member with disease specific education and self-management techniques
- Contact high-risk members post discharge to reduce unnecessary readmissions
- During interactions with the member, communicate support is available from member services to serve as a central point of contact and assist during any transition

5 Empire Medicare Advantage Provider Payment Disputes, Administrative Pleas, and Standard Appeals

5.1 Distinguishing between Provider and Medicare Advantage Member Appeals

Empire has separate and distinct processes for requests to reconsider an Empire decision on an authorization or request for payment upon claims submission. Upon processing of each request, assignment of liability for the service is determined. All Medicare member liability denials are subject to the Medicare Complaints, Appeals and Grievances (MCAG) process as outlined in the *Medicare Member Liability Appeals* and *Medicare Member Grievance* sections of this Provider Manual. Disputes between the health plan and the provider that do not involve an adverse determination or liability for the Medicare member follow the Empire Medicare Advantage participating provider appeals and dispute or nonparticipating provider payment dispute processes.

Providers must cooperate with Empire and with members in providing necessary information to resolve the appeals within the required time frames. Providers must provide the pertinent medical records and any other relevant information upon request and when initiating an appeal. In some instances, providers must provide the records and information very quickly in order to allow Empire to make an expedited decision. Your participation in and the member's election of the Medicare Advantage plan are an indication of consent to release those records as part of health care operations.

Medicare Member Liability

Empire has determined that a Medicare member is responsible for payment as the service(s) are determined to be not covered under the plan to which they are enrolled or is considered Medicare member cost share. Any time a member liability denial letter is issued, the member appeals process must be followed and **not** the provider appeals process. Medicare member liability is assigned when:

- The *Integrated Denial Notice (IDN)* is issued as per the *CMS Parts C & D Enrollee Grievances, Organization/Coverage Determinations, and Appeals Guidance* with subsequent review by the Independent Review Entity (IRE).

- The *Notice of Denial of Medicare Prescription Drug Coverage* is issued as per the *CMS Parts C & D Enrollee Grievances, Organization/Coverage Determinations, and Appeals Guidance*.
- A decision that inpatient hospital care is no longer necessary with delivery of the *Important Message from Medicare (IM)* as per the *CMS Parts C & D Enrollee Grievances, Organization/Coverage Determinations, and Appeals Guidance*.
- *Notice of Medicare Non-Coverage (NOMNC)* is delivered as per the *CMS Parts C & D Enrollee Grievances, Organization/Coverage Determinations, and Appeals Guidance* with rights to pursue an appeal via the Quality Improvement Organization (QIO) or the plan directly.
- An *Explanation of Benefits (EOB)* indicates there is member responsibility assigned to a claim processed.
- An *Explanation of Payment (EOP)* indicates there is member responsibility assigned to a claim processed.

Participating Provider Liability

If Empire has determined that the participating provider has failed to follow the terms and conditions of their contract either administratively or by not providing the clinical information needed to substantiate the services being requested for approval of payment, the participating provider is prohibited from billing a Medicare member for services unless the plan has determined member liability and issued the appropriate notices as above.

Nonparticipating Provider Liability

Empire has determined that the nonparticipating provider failed to follow Medicare requirements unless the plan has determined member liability and issued the appropriate notices as above and has procedures for nonparticipating provider to follow.

5.2 Provider Claim Payment Disputes and Administrative Plea Processes

Provider Claim Payment Dispute process

If you disagree with the outcome of a claim, you may begin the provider payment dispute process. Provider Payment Disputes and Provider Administrative Pleas are different processes:

- **Provider Payment Dispute:** The claim has been finalized but you disagree with the amount that you were paid;
- **Provider Administrative Plea:** The claim has been finalized, but you disagree with the administrative denial that has been applied. An administrative denial is applied within the claims process when it is determined that the provider failed to follow the terms and conditions of their contract. Examples of administrative denials are as follows: denials such as no prior authorization or late notification.

Please be aware, there are two common claim-related issues that are **not** considered claim payment disputes. To avoid confusion with claim payment disputes, these are briefly defined below. They are:

- **Claim Inquiry:** A question about a claim, but not a request to change a claim payment.
- **Claims Correspondence:** When Empire requests further information to finalize a claim. Typically, these requests include medical records, itemized bills, or information about other insurance a member may have. A full list of correspondence related materials are in the correspondence section of this provider manual.

Claims that were denied for lack of medical necessity should follow the participating provider standard appeal process. A Medicare participating provider standard appeal is a formal request for review of a previous Empire decision where medical necessity was not established where provider liability was

assigned (see original decision letter) for services already rendered. An example of this appeal scenario would be as follows:

- On clinical review, the services related to the prior authorization request were deemed not medically necessary but services were rendered and claim payment was denied.

For more information on each of these claim-related processes, please refer to the appropriate section in this provider manual.

The Empire provider payment dispute process consists of two internal steps. You will **not** be penalized for filing a claim payment dispute and no action is required by the member.

1. **Claim Payment Reconsideration:** This is first step in the provider payment dispute process. The reconsideration represents your initial request for an investigation into the outcome of the claim. Most issues are resolved at the claim payment reconsideration step.
2. **Claim Payment Appeal:** The second step in the provider payment dispute process. If you disagree with the outcome of the reconsideration, you may request an additional review as a claim payment appeal. Claim Payment Appeals must be submitted in writing or via the web and should explain the basis for disputing the outcome of the Claim Payment Reconsideration.

A claim payment dispute may be submitted for multiple reason(s) including:

- Contractual payment issues.
- Disagreements over reduced claims or zero-paid claims not related to medical necessity.
- Post-service authorization issues.
- Other health insurance denial issues.
- Claim code editing issues.
- Duplicate claim issues.
- Retro-eligibility issues.
- Experimental/investigational procedure issues.
- Claim data issues.
- Timely filing issues.*

*Timely filing issues: Empire will consider reimbursement of a claim which has been denied due to failure to meet timely filing if you can: 1) provide documentation the claim was submitted within the timely filing requirements or 2) demonstrate good cause exists.

5.3 Claim Payment Reconsideration

The first step in the Empire claim payment dispute process is called the reconsideration. It is your initial request to investigate the outcome of a finalized claim. Please note, we cannot process a reconsideration without a finalized claim on file.

We accept reconsideration requests in writing, verbally and through our provider web portal within 120 calendar days from the date on the *Explanation of Payment (EOP)* (see below for further details on how to submit). Reconsiderations filed more than 120 days from the *EOP* will considered to be untimely and denied unless good cause can be established.

When submitting reconsiderations, please include as much information as you can to help us understand why you think the claim was not paid as you would expect.

The plan encourages providers to use our claims payment reconsideration process if you feel a claim was not processed correctly, however, this optional step is not required prior to filing a claim payment appeal.

If a reconsideration requires clinical expertise, it will be reviewed by appropriate clinical professionals.

The plan will make every effort to resolve the claims payment reconsideration within 45 calendar days of receipt.

We will send you our decision in a determination letter when upholding our decision, which will include:

1. A statement of the provider's reconsideration request.
2. A statement of what action the plan intends to take or has taken.
3. The reason for the action.
4. Support for the action including applicable statutes, regulations, policies, claims, codes or provider manual references.
5. An explanation of the provider's right to request a claim payment appeal within 63 calendar days of the date of the reconsideration determination letter.
6. An address to submit the claim payment appeal.
7. A statement that the completion of the claim payment appeal process is a necessary requirement before requesting a state fair hearing (where applicable).

If the decision results in a claim adjustment, the payment and *Explanation of Payment (EOP)* will be sent separately. Overturned decisions will result in an adjustment and EPOs.

5.4 Claim Payment Appeal

If you are dissatisfied with the outcome of a Reconsideration determination, you may submit a claim payment appeal.

We accept claim payment appeals through our provider website or in writing within 63 calendar days of the date on the reconsideration determination letter. Claim payment appeals received more than 63 calendar days after the explanation of payment or the claims reconsideration determination letter will be considered untimely and will be upheld unless good cause can be established.

When submitting a claim payment appeal, please include as much information as you can to help us understand why you think the reconsideration determination was in error. Please note, we cannot process a claim payment appeal without a reconsideration on file.

If a claim payment appeal requires clinical expertise, it will be reviewed by appropriate clinical professionals.

The plan will make every effort to resolve the claim payment appeal within 30 calendar days of receipt.

If the decision results in a claim adjustment, the payment and *EOP* will be sent separately.

5.5 How to submit a Claim Payment Dispute

We have several options when filing a claim payment dispute. They are described below.

- **Verbal (Reconsideration only):** Verbal submissions may be submitted by calling Provider Services.
- **Web Portal (Reconsideration and Claim Payment Appeal):** The plan can receive reconsiderations and claim payment appeals via the secure Availity Portal Payment Dispute/Appeal Tool at <https://www.availity.com>. Supporting documentation can be uploaded on the Portal.

You will receive immediate acknowledgement of your web submission.

- **Written (Reconsideration and Claim Payment Appeal):** Written reconsiderations and claim payment appeals should be mailed, along with the *Claim Payment Appeal Form* or the *Reconsideration Form* to:

Provider Payment Disputes

P.O. Box 61599

Virginia Beach, VA 23466-1599

Required Documentation for Claims Payment Disputes

The health plan requires the following information when submitting a claim payment dispute (reconsideration or claim payment appeal):

- Your name, address, phone number, email, and either your NPI or TIN.
- The member's name and their Medicaid or Medicare ID number.
- A listing of disputed claims, which should include the claim number and the date(s) of service(s).
- All supporting statements and documentation.

Claim Inquiry

A question about a claim or claim payment is called an inquiry. Inquiries do not result in changes to claim payments, but outcome of the claim inquiry may result in the initiation of the claim payment dispute. In other words, once you get the answer to your claim inquiry, you may opt to begin the claim payment dispute process.

Our Provider Experience program helps you with claim inquiries. Call Provider Services and select the Claims prompt within our voice portal. We connect you with a dedicated resource team, called the Provider Service Unit (PSU), to ensure:

- Availability of helpful, knowledgeable representatives to assist you.
- Increased first-contact, issue resolution rates.
- Significantly improved turnaround time of inquiry resolution.
- Increased outreach communication to keep you informed of your inquiry status.

The PSU is available to assist you in determining the appropriate process to follow for resolving your claim issue.

Claim Correspondence

Claim correspondence is different from a payment dispute. Correspondence is when the plan requires more information in order to finalize a claim. Typically, Empire makes the request for this information through the *EOP*. The claim or part of the claim may, in fact, be denied, but it is only because more information is required to process the claim. Once the information is received, Empire will use it to finalize the claim.

The following table provides examples of the most common correspondence issues along with guidance on the most efficient ways to resolve them.

| Type of Issue | What Do I Need to Do? |
|-----------------------|--|
| EDI Rejected Claim(s) | Contact Availity Please contact Availity Client Services with any questions at 1-800-Availity (282-4548) |

| | |
|--|---|
| <i>EOP</i> Requests for Supporting Documentation (Itemized bills and invoices) | <p>Submit a <i>Claim Correspondence Form</i>, a copy of your <i>EOP</i> and the supporting documentation to:</p> <p>Claims Correspondence Empire P.O. Box 1407 Church Street Station New York, NY 10008-1407</p> |
| <i>EOP</i> Requests for Medical Records | <p>Submit a <i>Claim Correspondence Form</i>, a copy of your <i>EOP</i> and the medical records to:</p> <p>Claims Correspondence Empire P.O. Box 1407 Church Street Station New York, NY 10008-1407</p> |
| Need to submit a Corrected Claim due to errors or changes on original submission | <p>Submit a <i>Claim Correspondence Form</i> and your corrected claim to:</p> <p>Claims Correspondence Empire P.O. Box 1407 Church Street Station New York, NY 10008-1407</p> <p>Clearly identify the claim as corrected. We cannot accept claims with handwritten alterations to billing information. We will return claims that have been altered with an explanation of the reason for the return. Provided the claim was originally received timely, a corrected claim must be received within 365 days of the date of service. In cases where there was an adjustment to a primary insurance payment and it is necessary to submit a corrected claim to Empire to adjust the other health insurance (OHI) payment information, the timely filing period starts with the date of the most recent OHI <i>EOB</i>.</p> |
| Submission of coordination of benefits (COB) | <p>Submit a <i>Claim Correspondence Form</i>, a copy of your <i>EOP</i> and the COB/TPL information to:</p> <p>Claims Correspondence Empire P.O. Box 1407 Church Street Station New York, NY 10008-1407</p> |
| Emergency Room Payment Review | <p>Submit a Claim Correspondence form, a copy of your <i>EOP</i> and the medical records to:</p> <p>Claims Correspondence Empire P.O. Box 1407 Church Street Station New York, NY 10008-1407</p> |

6 Empire Medicare Advantage Participating Provider Standard Appeals

6.1 Participating Provider Standard Appeals

Empire participating providers may initiate provider appeals under the provider appeal procedures. Empire typically determines provider appeals within 60 days) when sufficient information is received to make a decision.

6.2 Medicare Participating Provider Standard Appeal

A formal request for review of a previous Empire decision where medical necessity was not established where provider liability was assigned (see original decision letter) for services already rendered.

Provider Medical Necessity Appeals Responsibility

All requests must be:

- Submitted in writing.
- Submitted within 180 days from the Empire decision letter date.*
- Include a cover letter with:
 - Member identifiable information
 - Date(s) of service in question
 - Specific rationale as to why the services did in fact meet medical criteria and reference specifics within the medical record to refute Empire's original decision
- Include necessary attachments:
 - Copy of the original Empire decision
 - All applicable medical records

Note: Empire will not request additional records to support the provider's argument and expects the provider to submit the necessary information to substantiate their request for payment.

Mail to:

Medicare Complaints, Appeals and Grievances (MCAG)
Attention: Medical Necessity Provider Appeals
Mailstop: OH0205-A537
4361 Irwin Simpson Road
Mason, Ohio 45040

Providing the above information will enable the Empire Participating Provider Appeals team to properly and timely review requests within 60 days. Requests that do not follow the above may be delayed.

* Days from original denial date may differ, depending upon the contract and/or state requirements.

7 EMPIRE MEDICARE ADVANTAGE NONPARTICIPATING PROVIDER PAYMENT DISPUTES AND APPEALS

7.1 Nonparticipating Provider Payment Disputes

If, after a claim has been adjudicated, a nonparticipating provider contends that our decision to pay for a different service from the one originally billed or believe they would have received a different payment under Original Medicare, the nonparticipating provider payment dispute resolution process can be used. Notification will be provided to the nonparticipating provider at each step of the process. For more information regarding the disputes process, please see [Claims Dispute](#) section.

7.2 Nonparticipating Provider Appeals Rights

If a claim is partially or fully denied for payment with member liability (see original decision letter), the nonparticipating provider must request a reconsideration of the denial within 60 calendar days from the remittance notification. When submitting the reconsideration of the denial of payment on a claim, a signed *Waiver of Liability Statement* must be included. To obtain this form, visit https://www.cms.gov/Medicare/Appeals-and-Grievances/MMCAG/Downloads/Model-Waiver-of-Liability_Feb2019v508.zip.

The purpose of the *Waiver of Liability Statement* is to hold the enrollee harmless regardless of the outcome of the appeal.

With the appeal, the nonparticipating provider should include documentation such as a copy of the original claim, remittance notification showing the denial, and any clinical records and other documentation that supports the provider's argument for reimbursement. **The appeal must be in writing.**

Please mail the appeal to this address.
Medicare Complaints, Appeals & Grievances
Attention: Non-Contracted Provider Appeals
Mailstop: OH0205-A537
4361 Irwin Simpson Rd
Mason, Ohio 45040

8 EMPIRE MEDICARE MEMBER COMPLAINTS, APPEALS AND GRIEVANCES

8.1 Distinguishing Between Member Appeals and Member Grievances

Complaints are considered any expression of dissatisfaction to a Medicare health plan, provider, facility or Quality Improvement Organization (QIO) by an enrollee made orally or in writing. There are two procedures for resolving MA member complaints: the Medicare member **appeals** process and the Medicare member **grievance** process. All member concerns are resolved through one of these mechanisms. The member's specific concern dictates which process is used. Therefore, it is important for the physician to be aware of the difference between appeals and grievances.

8.2 Medicare Member Liability Appeals

A member appeal is the type of complaint a member (or authorized representative) makes when the member wants Empire to reconsider and change an initial coverage/organization determination (by Empire or a provider) about what services, benefits or prescription drugs are necessary or covered or whether Empire will reimburse for a service, a benefit or a prescription drug.

An appeal refers to any of the procedures that deal with a request to review a denial of payment or services. If a member believes he or she is entitled to receive a certain service and Empire denies it, the member has the right to appeal. It is important to follow the directions in the denial letter issued to ensure the proper appeals process is followed.

A member may appeal:

- An adverse initial organization determination by Empire or a provider concerning authorization for or termination of coverage of a health care service
- An adverse initial organization determination by Empire concerning reimbursement for a health care service
- An adverse initial organization determination by Empire concerning a refusal to reimburse for a health service already received if the refusal would result in the member being financially liable for the service
- An adverse coverage determination by Empire or a provider concerning authorization or payment for prescription drugs

Appeals should be sent to:

Medicare Complaints, Appeals and Grievances (MCAG)
Attention: Member Appeals
Mailstop: OH0205-A537
4361 Irwin Simpson Road
Mason, Ohio 45040

All Medicare member concerns that do not involve an initial determination are considered grievances and are addressed through the grievance process.

8.3 Participating Provider Responsibilities in the Medicare Member Appeals Process

- Physicians can request expedited or standard pre-service appeals on behalf of their members; however, if not requested specifically by the treating physician, an *Appointment of Representative Form* may be required. The *Appointment of Representative Form* can be found online and downloaded at <https://www.cms.gov>.
- When submitting an appeal, provide all medical records and documentation to support the appeal at that time. If additional information is needed, the request for information will delay processing of the appeal.
- Expedited appeals should only be requested if the normal time period for an appeal could jeopardize the member's life, health or ability to regain maximum function.
- The CMS guidelines should be utilized when requesting services and initiating the appeals process.

Appeal time frames

- Members or their authorized representatives have 60 days from the date of the denial of service to file an appeal. The 60-day filing deadline may be extended where good cause can be shown.
- Standard Part C pre-service appeals that are not for a Part B drug, must be resolved within 30 calendar days from the date the request was received, unless it is in the member's interest to extend the timeframe
 - If the normal time period for an appeal could jeopardize the member's life, health or ability to regain maximum function, a request for an expedited appeal may be submitted orally or in writing. Such appeals are resolved within 72 hours, unless it is in the member's interest to extend this time period.

- A standard pre-service appeal for the coverage of a Part B drug must be resolved in 7 days from the date the request was received. Part B drug appeals timeframes cannot be extended.
- Post-service payment appeals must be resolved within 60 calendar days from the date the request was received. All payment appeals must be submitted in writing.
- For Part D appeals:
 - Part D expedited pre-service appeals must be resolved within 72 hours from receipt. Part D standard pre-service appeals must be resolved within 7 days from the date the request was received.
 - Part D payment appeals must be resolved within 14 days from the date the request was received.
 - Part D appeals timeframes cannot be extended.

****Note:** Integrated DSNP plans with unified grievance and appeal procedures for Medicare and Medicaid and MMPs may have different timeframes for Part C appeals.

8.4 Further Appeal Rights

If Empire is unable to reverse the original denial decision for a Part C item or service in whole or part, the following additional steps will be taken:

- Empire will forward the appeal to an Independent Review Organization (IRO) contracted with the federal government. The IRO will review the appeal and make a decision:
 - Within 72 hours if expedited.
 - Within 30 days if the appeal is related to authorization for health care that is not a Part B drug.
 - Within 7 days if the appeal is related to authorization of a Part B drug.
 - Within 60 days if the appeal involves reimbursement for care. (or 30 days for integrated DSNP plans with unified grievance and appeal procedures)
 - Part D prescription drug appeals are not forwarded to the IRO by Empire but may be requested by the member or representative; information will be provided on this process during the Empire Medicare member appeals process.
- If the IRO issues an adverse decision (not in the member's favor) and the amount at issue meets a specified dollar threshold, the member may appeal to an Administrative Law Judge (ALJ).
- If the member is not satisfied with the ALJ's decision, the member may request review by the Medicare Appeals Council. If the Medicare Appeals Council refuses to hear the case or issues an adverse decision, the member may be able to appeal to a federal court.

Hospital discharge appeals and QIO review process

Hospital discharges are subject to an expedited member appeal process. CMS has determined that Medicare Advantage members wishing to appeal an inpatient hospital discharge must request an immediate review from the appropriate Quality Improvement Organization (QIO) authorized by Medicare to review the hospital care provided to Medicare patients.

When an MA member does not agree with the physician's decision of discharge from the inpatient hospital setting, the member must request an immediate review by the QIO. The member or their authorized representative, attorney, or court-appointed guardian must contact the QIO by telephone or in writing. This request must be made no later than midnight of the day of discharge.

The QIO will make a decision within one full day after it receives the member's request, the appropriate medical records, and any other information it needs to make a decision. While the member remains in the hospital, Empire continues to be responsible for paying the costs of the stay until noon of the calendar day following the day the QIO notifies the member of its official Medicare coverage decision.

If the QIO agrees with the physician's discharge decision, the member will be responsible for paying the cost of the hospital stay beginning at noon of the calendar day following the day the QIO provides notification of its decision. If the QIO disagrees with the physician's discharge decision, the member is not responsible for paying the cost of additional hospital days. If an MA member misses the deadline to file for an immediate QIO review and is still in the hospital, then he/she may request an expedited pre-service appeal. In this case, the member does not have automatic financial protection during the course of the expedited appeal and may be financially liable for paying for the cost of the additional hospital days if the original decision to discharge is upheld upon appeal.

8.5 Medicare Member Grievances

A Medicare member grievance is the type of complaint a member makes regarding any other type of problem with Empire or a provider. For example, complaints concerning quality of care, waiting times for appointments or in the waiting room and the cleanliness of the provider's facilities are grievances.

Empire must accept grievances from members orally or in writing within 60 days of the event.* Empire must make a decision and respond to the grievance within 30 days. A member can request an expedited grievance, in which case Empire has 24 hours to respond. An expedited grievance can only be initiated if Empire refuses to grant the member an expedited organization/coverage determination or an expedited reconsideration/redetermination or notifies the member that an extension will be taken in making an organization determination or deciding an appeal (when allowed). Empire can request up to 14 additional days to respond to a grievance if it is in the member's best interest.

* Some plans may not limit the time in which a member grievance is filed (e.g., certain integrated DSNP plans and MMPs). These plans allow the member to file a grievance at any time.

8.6 Resolving Medicare Member Grievances

If a Medicare member has a grievance about Empire, the Medicare Advantage plan, a provider or any other issue, providers should instruct the member to call Member Services at the number located on the back of their ID card or send a written grievance to:

Medicare Complaints, Appeals and Grievances (MCAG)
Attention: Member Grievance Unit
Mailstop: OH0205-A537
4361 Irwin Simpson Road
Mason, Ohio 45040

9 Reimbursement Requirements and Policies

Reimbursement policies serve as a guide to assist you in accurate claim submissions and to outline the basis for reimbursement if the service is covered by a member's Empire benefit plan. These policies can be accessed on the provider site [here](#). Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member's state of residence. Covered services do not guarantee reimbursement unless specific criteria are met.

You must follow proper billing and submission guidelines, including using industry standard, compliant codes on all claim submissions. Services should be billed with Current Procedure Terminology (CPT) codes, Healthcare Common Procedure Coding System (HCPCS) codes and/or revenue codes which indicate the services and/or procedures performed. The billed code(s) are required to be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our policies apply to

participating providers and facilities; a non-contracting provider who accepts Medicare assignment will be reimbursed for services according to the original Medicare reimbursement rates.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, Empire may:

- Reject or deny the claim
- Recover and/or recoup claim payment
- Adjust the reimbursement to reflect the appropriate services and/or procedures performed

Empire reimbursement policies are developed based on nationally accepted industry standards and coding principles. These policies may be superseded by mandates in provider, state, federal, or CMS contracts and/or requirements. System logic or setup may prevent the loading of policies into the claims platforms in the same manner as described; however Empire strives to minimize these variations.

9.1 Reimbursement Hierarchy

Claims submitted for payments must meet all aspects of criteria for reimbursements. The reimbursement hierarchy is the order of payment conditions that must be met for a claim to be reimbursed. Conditions of payment could include benefits coverage, medical necessity, authorization requirements or stipulations within a reimbursement policy. Neither payment rates nor methodology are considered to be conditions of payments.

9.2 Review Schedules and Updates

Reimbursement policies undergo reviews for updates to state contracts, federal or CMS requirements and/or Empire business decisions. We reserve the right to review and revise our policies when necessary. Reimbursement policies go through a review every two years for updates to state, federal or CMS contracts and/or requirements. When there is an update we will publish the most current policy on the provider website at the link above.

9.3 Medical Coding

The Medical Coding department ensures that correct coding guidelines have been applied consistently throughout Empire. Those guidelines include, but are not limited to:

- Correct modifier use.
- Effective date of transaction code sets (CPT, HCPCS, ICD diagnosis/procedures, revenue codes, etc.)
- Code editing rules are appropriately applied and within regulatory requirements.
- Analysis of codes, code definition and appropriate use.

9.4 Reimbursement by Code Definition

Empire allows reimbursement for covered services based on their procedure code definitions or descriptors, as opposed to their appearance under particular CPT categories or sections, unless otherwise noted by state or provider contracts, or state, federal or CMS requirements. There are eight CPT sections:

1. Evaluations and management
2. Anesthesia
3. Surgery
4. Radiology (nuclear medicine and diagnostic imaging)
5. Pathology and laboratory
6. Medicine
7. Category II codes: supplemental tracking codes that can be used for performance measurement

8. Category III codes: temporary codes for emerging technology, services or procedures

9.5 Empire Medicare Advantage Coordination of Benefits

Empire and its providers agree Medicare coverage is secondary and the Medicaid program is the payer of last resort when third-party resources are available to cover the costs of medical services provided to Medicare members. When Empire is aware of third-party resources prior to paying for a medical service, it will follow appropriate coordination of benefits standards by either rejecting a provider's claim and redirecting the provider to bill the appropriate insurance carrier or, if Empire does not become aware of the resource until sometime after payment for the service was rendered, by pursuing post payment recovery of the expenditure. Providers must not seek recovery in excess of the applicable Medicare and/or Medicaid payable amounts.

Empire will follow appropriate coordination of benefits standards for trauma-related claims where third-party resources are identified prior to payment. Otherwise, Empire will follow a pay and pursue policy on prospective and potential subrogation cases. Paid claims are reviewed and researched postpayment to determine likely cases based on information obtained through communications with members and providers. Empire handles the filing of liens and settlement negotiations both internally and externally via its vendors.

The information contained in this handbook should not be construed as treatment protocols or required practice guidelines. Diagnosis, treatment recommendations, and the provision of medical care services for Empire members and enrollees are the responsibility of providers and practitioners. Please encourage the patient to review his/her Policy or Evidence of Coverage and Schedule of Benefits for details concerning benefits, procedures and exclusions prior to receiving treatment, as this Handbook does not supersede the Policy or Evidence of Coverage and Schedule of Benefits. The information in this Handbook may change from time to time.

10 PROVIDER DIGITAL ENGAGEMENT

10.1 Purpose

The purpose of this provider digital engagement chapter is to establish the standards to increase utilization of secure digital provider tools and applications that are accessible to participating and non-participating providers to improve efficiencies for providers and Empire. This chapter is applicable medical, dental and vision services.

In support of this digital supplement, the following efficiencies have been documented as industry averages per the annual CAQH CORE Efficiency Index study:

Table 10: Average, Minimum, and Maximum Time Spent by Providers Conducting Manual, Partial and Electronic Transactions, Medical, 2019 CAQH Index

| Transaction | Method | Average Time Providers Spend per Transaction (minutes) | Min Time Providers Spend per Transaction (minutes) | Max Time Providers Spend per Transaction (minutes) | Potential Average Time Saving (minutes) |
|--|------------|--|--|--|---|
| Eligibility and Benefit Verification | Manual | 10 | 3 | 30 | 8 |
| | Partial | 5 | 1 | 15 | 3 |
| | Electronic | 2 | <1 | 10 | |
| Prior Authorization | Manual | 21 | 3 | 45 | 17 |
| | Partial | 8 | 1 | 20 | 4 |
| | Electronic | 4 | <1 | 18 | |
| Claim Submission | Manual | 6 | 1 | 25 | 4 |
| | Electronic | 2 | <1 | 6 | |
| Attachments | Manual | 11 | 1 | 30 | 6 |
| | Electronic | 5 | 1 | 10 | |
| Claim Status Inquiry | Manual | 12 | 1 | 20 | 8 |
| | Partial | 4 | 1 | 10 | 0 |
| | Electronic | 4 | <1 | 11 | |
| Claim Payment | Manual | 5 | <1 | 11 | 2 |
| | Electronic | 3 | <1 | 10 | |
| Remittance Advice | Manual | 7 | <1 | 19 | 5 |
| | Partial | 4 | <1 | 10 | 2 |
| | Electronic | 2 | <1 | 10 | |
| Total Potential Time Savings (Manual) | | | | | 50 |
| Total Potential Time Savings (Partial) | | | | | 9 |

10.2 Supplement Statement

This Supplement outlines the digital tools Empire has available to providers who serve its members, whether par or non-par. It is Empire's expectation that providers will utilize these digital tools unless mandated by law or other legal requirement no later than January 1, 2021. The electronic tools and applications include the secure Provider Portal, Electronic Data Interchange (EDI) Transaction Gateway

and available Business-to-Business Application Programming Interfaces (B2B APIs) - all hosted via Availity. This Supplement addresses the following processes:

- Acceptance of digital ID cards
- Eligibility and benefit inquiry and response
- Prior authorization submissions including updates, attachments and authorization status
- Claim submission, including attachments and claim status
- Remittances and payments

It is preferred, that in markets where these tools are currently available, these digital alternatives are used:

- Disputes
- Grievances and Appeals
- Demographic updates
- Pharmacy Prior Authorization drug requests
- Services through Empire affiliates, Caredon Medical Benefits Management and Caredon Behavioral Health, Inc.
- Provider Enrollment

Empire expects that all providers seeking any functions and processes above will use available electronic self-service tools including EDI X12 transactions, the secure Provider Portal or direct desktop integration via B2B APIs in lieu of manual channels (paper, mail, fax, call, etc.). Availity provides access to all Empire self-service tools across all electronic channels outlined above. All digital channels are consistent with industry standards.

Access to all Empire digital tools and capabilities is available on the secure Provider Portal via <https://www.availity.com>. Please access Availity to learn more about available EDI, Portal and B2B API options. Administration Simplification standard transaction requirements: <https://www.hhs.gov/hipaa/for-professionals/other-administration-simplification-rules/index.html>

10.3 Acceptance of Digital ID Cards

As Empire's members transition to using electronic member identification cards, providers may need to implement changes in their processes to accept this new format. Empire expects that providers will accept the electronic version of the member identification card in lieu of a physical member identification card. If providers require a copy of a physical member identification card, members can fax or email a copy of the electronic member identification card from their phone/app, or providers can access it directly from the secure Provider Portal through Availity.

10.4 Eligibility and benefit inquiry and response

Providers may leverage any of the following Availity-hosted channels for electronic Eligibility & Benefit inquiry and response:

- EDI Transaction: X12 270/271 Eligibility Inquiry and Response (version 5010)
 - Empire supports the industry standard X12 270/271 transaction set for eligibility and benefit inquiry and response as mandated by HIPAA.
- Secure Provider Portal via Availity
 - Eligibility and Benefit verification utility – This utility allows a provider to key an inquiry directly into an online eligibility and benefit look-up form with real-time responses.

- Provider desktop integration via B2B APIs
 - Empire has also enabled real-time access to Eligibility and Benefit verification APIs, that can be directly integrated within participating vendors' practice management software, revenue cycle management software and some electronic medical records software. Contact Availity for available vendor integration opportunities at <https://www.availity.com/Healthcare-APIs>.

10.5 Authorizations

Prior Authorization Submission, Attachment and Status

Providers may leverage any of the following channels for Prior Authorization submission, status inquiries and submission of electronic attachments (solicited or unsolicited) on the secure Provider Portal via Availity:

- EDI Transaction: X12 278 Prior Authorization and Referral (version 5010)
 - Empire supports the industry standard X12 278 transaction for prior auth submission and status inquiry as mandated per HIPAA.
- EDI Transaction: X12 275 Patient Information including HL7 payload (version 5010) for authorization attachments
 - Empire supports the industry standard X12 275 transaction for electronic transmission of supporting authorization documentation including medical records via the HL7 payload.
- Secure Provider Portal via Availity
 - Interactive Care Reviewer (ICR) – The authorization ICR utility allows a provider to key a prior authorization request including an attachment or status inquiry directly into an online form.
 - Additionally, providers can use ICR to make inquiries on previously submitted requests regardless of how the original prior authorization was submitted (phone, fax, ereview, secure email, etc.).
- Provider desktop integration via B2B APIs
 - Empire has also enabled real-time access to Prior Authorization APIs, that can be directly integrated within participating vendors' practice management software, revenue cycle management software and some electronic medical records software. Contact Availity for available vendor integration at <https://www.availity.com/Healthcare-APIs>.

10.6 Electronic Data Interchange Claims Submissions

Electronic Data Interchange (EDI)

Empire uses Availity as its exclusive partner for managing all electronic data interchange (EDI) transactions. Electronic Data Interchange (EDI), including Electronic Remittance Advices (835) allows for a faster, more efficient and cost-effective way for providers and employers to do business.

Advantages of Electronic Data Interchange (EDI)

- Process claims faster by submitting coordination of benefits electronically and fixing errors early with in-system notification and correction
- Reduce overhead and administrative costs by eliminating paper claim submissions

Use Availity for the following EDI transactions

- Healthcare Claim: Professional (837P)
- Healthcare Claim: Institutional (837I)
- Healthcare Claim: Dental (837D)
- Healthcare Eligibility Benefit Inquiry and Response (270/271)
- Healthcare Services Prior Authorization (278)
- Healthcare Services Inpatient Admission and Discharge Notification (278N)
- Healthcare Claim Payment/Advice (835)
- Healthcare Claim Status Request and Response (276/277)
- Medical Attachments (275)

Ways you can use the Availity EDI Gateway

Availity's EDI submission options:

- EDI Clearinghouse for Direct Submitters (requires practice management or revenue cycle software)
- Or use your existing clearinghouse or billing vendor (work with your vendor to ensure connection to the Availity EDI Gateway)

Electronic Data Interchange Trading Partner

Trading partners connects with Availity's EDI gateway to send and receive EDI transmissions. A Trading Partner can be a provider organization using software to submit direct transmissions, billing company or a clearinghouse vendor.

To become an EDI Trading Partner visit www.availity.com.

Login if already an Availity user, choose My providers < Transaction Enrollment or choose Register if new to Availity.

Payer ID

Your Payer Name is Empire.

Availity's Payer ID's

<https://apps.availity.com/public-web/payerlist-ui/payerlist-ui/#/>

Note: If you use a clearinghouse, billing service or vendor, please work with them directly to determine payer ID.

Electronic Remittance Advice (835)

The 835 eliminates the need for paper remittance reconciliation.

Use Availity to register and manage ERA account changes with these three easy steps:

1. Log in to **Availity** <https://apps.availity.com/availity/web/public.elegant.login>

2. Select **My Providers**
3. Click on **Enrollment Center** and select **Transaction Enrollment**

Note: If you use a clearinghouse or vendor, please work with them on ERA registration and receiving your ERA's.

Electronic Funds Transfer (EFT)

Electronic claims payment through electronic funds transfer (EFT) is a secure and fastest way to receive payment reducing administrative processes. EFT deposit is assigned a trace number that is matched to the 835 Electronic Remittance Advice (ERA) for simple payment reconciliation.

Visit <https://www.empireblue.com/provider/edi/> website under EDI for EFT registration instructions.

Contact Availity

Please contact Availity Client Services with any questions at 1-800-Availity (282-4548)

Useful EDI Documentation

Availity EDI Connection Service Startup Guide - This guide includes information to get you started with submitting Electronic Data Interchange (EDI) transactions to Availity, from registration to on-going support.

Availity EDI Companion Guide - This Availity EDI Guide supplements the HIPAA TR3s and describes the Availity Health Information Network environment, interchange requirements, transaction responses, acknowledgements, and reporting for each of the supported transactions as related to Availity.

Availity Registration Page - [Availity register page for users new to Availity.](#)

Washington Publishing Company - X12 code descriptions used on EDI transactions

10.7 Remittances & Payments Electronic Funds Transfer (EFT)

Like the payroll direct deposit service that most businesses offer their employees, Electronic Funds Transfer (EFT) uses the Automated Clearing House (ACH) Network to transmit health care payments from a health plan to a health care provider's bank account. Health plans can use a provider's banking information only to deposit funds, not to withdraw funds. Empire expects providers to accept payment via Electronic Funds Transfer (EFT) in lieu of paper checks.

Visit <https://www.empireblue.com/provider/edi/> under EDI for EFT registration instructions. This tool will help eliminate the need for paper registration, reduce administrative time and costs and allows physicians and facilities to register with multiple payers at one time. EFT payments are deposited faster and are generally the lowest cost payment method.

To facilitate quicker reimbursement for providers who have not enrolled for EFT, Empire may move paper checks to a virtual card payment method. Virtual cards allow physicians and facilities to process payments as credit card transactions.

Electronic Remittance Advice (835)

The 835 eliminates the need for paper remittance reconciliation.

Use Availity to register and manage ERA account changes with these three easy steps:

1. Log in to **Availity** <https://apps.availity.com/availability/web/public.elegant.login>
2. Select **My Providers**
3. Click on **Enrollment Center** and select **Transaction Enrollment**

***Note:** If you use a clearinghouse or vendor, please work with them on ERA registration and receiving your ERA's.*

Contact Availity

Please contact Availity Client Services with any questions at 1-800-Availity (282-4548)

11 FRAUD, WASTE AND ABUSE DETECTION

Empire is committed to protecting the integrity of Empire's health care programs and the effectiveness of operations by preventing, detecting and investigating fraud, waste and abuse (FWA). Combating FWA begins with knowledge and awareness.

- **Fraud:** Any type of intentional deception or misrepresentation made with the knowledge that the deception could result in some unauthorized benefit to the person committing it -- or any other person. The attempt itself is fraud, regardless of whether or not it is successful
- **Waste:** Includes overusing services, or other practices that, directly or indirectly, result in unnecessary costs. Waste is generally not considered to be driven by intentional actions, but rather occurs when resources are misused.
- **Abuse:** When health care providers or suppliers do not follow good medical practices resulting in unnecessary or excessive costs, incorrect payment, misuse of codes, or services that are not medically necessary.

One of the most important steps to help prevent Member fraud is as simple as reviewing the Member identification card to ensure that the individual seeking services is the same as the Member listed on the card. It is the first line of defense against possible fraud. Learn more at www.fightthehealthcarefraud.com.

11.1 Reporting Fraud, Waste and Abuse

If someone suspects any Member or provider (a person who receives benefits) has committed fraud, waste or abuse, they have the right to report it. No individual who reports violations or suspected fraud and abuse will be retaliated against for doing so. The name of the person reporting the incident and his or her callback number will be kept in strict confidence by investigators.

Report concerns by:

- Visit Empire.com, scroll to the bottom footer and click on "Health Care Fraud Prevention" to be directed to the [fightthehealthcarefraud](http://fightthehealthcarefraud.com) education site; at the top of the page click "Report it" and complete the [Report Waste, Fraud and Abuse](#) form
- Calling Provider Solutions

Any incident of fraud, waste or abuse may be reported to Empire anonymously; however, Empire's ability to investigate an anonymously reported matter may be limited if Empire doesn't have enough

information. Empire encourages Providers and Facilities to give as much information as possible. Empire appreciates referrals for suspected fraud, but be advised that Empire do not routinely update individuals who make referrals as it may potentially compromise an investigation.

Examples of Member Fraud, Waste and Abuse

- Forging, altering or selling prescriptions
- Letting someone else use the Member's ID (Identification) card
- Obtaining controlled substances from multiple providers
- Relocating to out-of-service Plan area
- Using someone else's ID card

When reporting concerns involving a Member include:

- The Member's name
- The Member's date of birth, Member ID or case number if available
- The city where the Member resides
- Specific details describing the fraud, waste or abuse

Examples of Provider Fraud, Waste and Abuse (FWA):

- Altering medical records to misrepresent actual services provided
- Billing for services not provided
- Billing for medically unnecessary tests or procedures
- Billing professional services performed by untrained or unqualified personnel
- Misrepresentation of diagnosis or services
- Soliciting, offering or receiving kickbacks or bribes
- Unbundling – when multiple procedure codes are billed individually for a group of procedures which should be covered by a single comprehensive procedure code
- Upcoding – when a provider bills a health insurance payer using a procedure code for a more expensive service than was actually performed

When reporting concerns involving a provider (a doctor, dentist, counselor, medical supply company, etc.) include:

- Name, address and phone number of provider
- Name and address of the facility (hospital, nursing home, home health agency, etc.)
- Medicaid number of the provider and facility, if available
- Type of provider (doctor, dentist, therapist, pharmacist, etc.)
- Names and phone numbers of other witnesses who can help in the investigation
- Dates of events
- Summary of what happened

To learn more about health care fraud and how to aid in the prevention on it, visit

www.fightthehealthcarefraud.com.

11.2 Investigation Process

The Special Investigations Unit ("SIU") investigates suspected incidents of FWA for all types of services. Empire may take corrective action with a Provider or Facility, which may include, but is not limited to:

- *Written warning and/or education:* Empire sends letters to the Provider or Facility advising the Provider or Facility of the issues and the need for improvement. Letters may include education or requests for repayment, or may advise of further action.
- *Medical record review:* Empire reviews medical records to investigate allegations or validate the appropriateness of Claims submissions.

- *Edits*: A certified professional coder or investigator evaluates Claims and places payment or system edits in Empire's Claims processing system. This type of review prevents automatic Claims payments in specific situations.
- *Recoveries*: Empire recovers overpayments directly from the Provider or Facility. Failure of the Provider or Facility to return the overpayment may result in reduced payment for future Claims, termination from our network, or legal action.

11.3 Prepayment Review

One method Empire uses to detect FWA is through prepayment Claim review. Through a variety of means, certain Providers or Facilities, or certain Claims submitted by Providers or Facilities, may come to Empire's attention for behavior that might be identified as unusual for coding, documentation and/or billing issues, or Claims activity that indicates the Provider or Facility is an outlier compared to his/her/its peers.

Once a Claim, or a Provider or Facility, is identified as an outlier or has otherwise come to Empire's attention for reasons mentioned above, further review may be conducted by the SIU to determine the reason(s) for the outlier status or any appropriate explanation for unusual coding, documentation, and/or billing practices. If the review results in a determination that the Provider's or Facility's actions may involve FWA, unless exigent circumstances exist, the Provider or Facility is notified of their placement on prepayment review and given an opportunity to respond.

When a Provider or Facility is on prepayment review, the Provider or Facility will be required to submit medical records and any other supporting documentation with each Claim so Empire can review the appropriateness of the services billed, including the accuracy of billing and coding, as well as the sufficiency of the medical records and supporting documentation submitted. Failure to submit medical records and supporting documentation to Empire in accordance with this requirement will result in a denial of the Claim under review. The Provider or Facility will be given the opportunity to request a discussion of his/her/its prepayment review status.

Under the prepayment review program, Empire may review coding, documentation, and other billing issues. In addition, Empire may use one or more clinical utilization management guidelines in the review of Claims submitted by the Provider or Facility, even if those guidelines are not used for all Providers or Facilities delivering services to Plan Members.

The Provider or Facility will remain subject to the prepayment review process until Empire is satisfied that all inappropriate billing, coding, or documentation activity has been corrected. If the inappropriate activity is not corrected, the Provider or Facility could face corrective measures, up to and including termination from our network.

Finally, Providers and Facilities are prohibited from billing a Member for services Empire has determined are not payable as a result of the prepayment review process, whether due to FWA, any other coding or billing issue or for failure to submit medical records as set forth above. Providers or Facilities whose Claims are determined to be not payable may make appropriate corrections and resubmit such Claims in accordance with the terms of their Provider and Facility Agreement, proper billing procedures and state law. Providers or Facilities also may appeal such a determination in accordance with applicable grievance and appeal procedures.

11.4 Acting on Investigative Findings

In addition to the previously mentioned actions, Empire may refer suspected criminal activity committed by a Member, Provider or Facility to the appropriate regulatory and/or law enforcement agencies

11.5 Recoupment/Offset/Adjustment for Overpayments

Empire shall be entitled to offset and recoup an amount equal to any overpayments or improper payments made by Empire to Provider or Facility (“Overpayment Amount”) against any payments due and payable by Empire or any Affiliate to Provider or Facility with respect to any Health Benefit Plan under this Agreement or under any Agreement between Provider and an Affiliate regardless of the cause. Provider or Facility shall voluntarily refund the Overpayment Amount regardless of the cause, including, but not limited to, payments for Claims where the Claim was miscoded, non-compliant with industry standards, or otherwise billed in error, whether or not the billing error was fraudulent, abusive or wasteful. Upon determination by Empire that an Overpayment Amount is due from Provider or Facility, Provider or Facility must refund the Overpayment Amount to Empire within sixty (60) calendar days of the date of the overpayment refund notice from Empire to the Provider or Facility. If the Overpayment Amount is not received by Empire within the sixty (60) calendar days following the date of such notice letter, Empire shall be entitled to offset the unpaid portion of the Overpayment Amount against other Claims payments due and payable by Empire or an Affiliate to Provider or Facility under any Health Benefit Plan in accordance with Regulatory Requirements. In such event, Provider or Facility agrees that all future Claim payments, including Affiliate Claim payments, applied to satisfy Provider’s or Facility’s repayment obligation shall be deemed to have been legally paid to Provider or Facility in full for all purposes, including Affiliates and/or Regulatory Requirements as defined by the Provider or Facility Agreement. Should Provider or Facility disagree with any determination by Empire or a Plan that Provider or Facility has received an overpayment or improper payment, Provider or Facility shall have the right to appeal such determination under Empire’s procedures set forth in the Provider Manual, provided that such appeal shall not suspend Empire’s right to recoup the Overpayment Amount during the appeal process unless required by Regulatory Requirements. Empire reserves the right to employ a third party collection agency in the event of non-payment.



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