

ADDENDUM 10

Incarcerated Population

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PPS.



Payment Procedure for Hospitalization
Services to the Incarcerated
Population

Standard Operating Procedure

Responsible Entity: ASES

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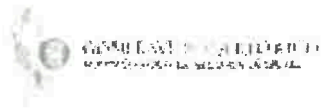
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I. Document Information

Owner: PRHIA
 PRHIA
 Approved by/Date: 
 Winda J. Lorenzo González
 Interim Chief Information Officer

 Olga Carrasquillo
 Interim Finance Supervisor

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II. Document Revision History

- v 1.0 <22/09/21> First version published for review.
- v.1.1 <16/11/21> Proofreading and correction of typographical errors.
- v.1.5 <08/08/22> Revision for the incorporation of pricing for hospitalization services of 24 hours or more, to the correctional population, in contracts with Insurers.

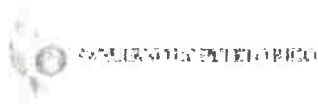
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Built-in sections:

- a. 7. SINGLE SPECIAL REPORT - PERIOD JUNE 15, 2020-DECEMBER 31, 2022.

- v.2.0 <00/00/00> Review of the adjusted process for the 2023 Vital Plan Contract.
- v.2.1 10/10/2023 Incarcerated Version Update – Forensic Psychiatry and Juvenile Institutions

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ASIS

1. Acronyms & Terms

The following table provides definitions for the acronyms and terms used in this document.

Table 1: Acronyms and Terms

PRHIA	Puerto Rico Health Insurance Administration
834	Format file, HIPPA standard
JIA	Juvenile Institutions Administration - CFR 435.1010
FP	Forensic Psychiatry
CMS	The Centers for Medicare & Medicaid Services is the agency within the U.S. Department of Health and Human Services (HHS). It administers the country's major health care programs. CMS oversees programs including Medicare, Medicaid, the Children's Health Insurance Program (CHIP), and the state and federal health insurance marketplaces. CMS collects and analyzes data, produces research reports, and works to eliminate instances of fraud and abuse within the healthcare system.
Enterprise System (ES)	It is a system for collecting and managing data from various sources to provide meaningful business insights. A data warehouse is typically used to connect and analyze business data from heterogeneous sources.
MCO Managed Care Organization	An entity that is organized for the purpose of providing medical care and is authorized as an Insurer by the Commissioner of Insurance of Puerto Rico, which contracts with ASE5 for the provision of Covered Services and Benefits throughout the Island on the basis of PMPM Payments, under the PSG program.

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MEDIT3G	Puerto Rico Medicaid Program's eligibility determination system.
GHP Government Health Plan (Plan Vital)	It is the health plan that the government of Puerto Rico grants through federal Medicaid funds and state funds.
Correccional Population	Individuals who are in the legal custody of the Puerto Rico Department of Corrections and Rehabilitation, involuntarily held in a correctional facility, and enrolled in the Medicaid office in Puerto Rico.
MIP System	Accounts Payables module. This module registers invoices for payment of Account Payable, the information that is entered in A/P Invoices Form is the following: invoice, date, quantity, description, Vendor ID, enter the transaction in debit and credit among others.
PRMP	Puerto Rico Medicaid Program
SOP Standard Operating Procedure	A set of instructions that describes all the relevant steps and activities of a process or procedure.

2. Legal Base

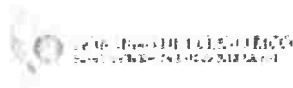
Under the applicable federal regulation, 42 U.S.C. §1396d(a)(29)(A) and the State Plan of the Office of Medicaid in Puerto Rico, persons deprived of their liberty and who are under the jurisdiction of the correctional system of the Government of Puerto Rico, are not eligible for Medicaid benefits. The provision of health care services for this population is through Correctional Health. This must change to provide Medicaid/CHIP coverage for the appropriate care service when they require inpatient services for 24 hours or more.


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As an exception to this rule, there are eligible individuals held under the Juvenile Institutions Administration (JIA) and Forensic Psychiatry, who are in state custody. They are covered by the Federal Coverage Rule for Proper Care when they require inpatient services for 24 hours or more.

3. Purpose

The Puerto Rico Health Insurance Administration (PRHIA) was working to incorporate into contracts with insurers (MCOs) the provision of these hospitalization services of 24 hours or more, to the correctional population, and the payment processes applicable under the Government Health Plan (Plan Vital).

 However, while this process was being formalized, the PRHIA was attending to the payment of outstanding invoices for these services of up to twelve (12) retrospective months, from the date of Circular Letter 21-0715, related to these services, issued on July 15, 2021.

Since this population was not properly considered in the contracting or in the current fee, the ASES needed the MCO assigned to the beneficiary of the correctional institution, according to the certification of eligibility, to analyze the invoice for the services provided by the hospital and issue the payment according to the contractual agreement between the MCO and the Hospital. Thus, the applicable fee was the one contracted between the hospital and the MCO that was; likewise, hospitalization would be subject to the review of common use and usually used by MCOs for all cases of hospital providers.



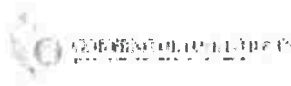
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Based on the above, the PRHIA established an interim procedure for reimbursement to MCOs for referral services. In addition, to maintain the necessary documentation in a correct and auditable way of such reimbursements.

However, on March 31, 2022, the PRHIA incorporated the provision of these hospitalization services of 24 hours or more to the correctional population into the contracts with insurers.

Since the correctional population is properly considered in the hiring and in the current rate, the MCO must pay the Hospital the corresponding invoice and notify the PRHIA within thirty (30) calendar days of the services paid by each inmate. PRHIA will remit payment, based on the *Correctional Facility Hospital Case Rate*, defined for the contract year, and in accordance with the member's enrollment status. Payment under the correctional facility case fee will apply to claims with a date of service on or after January 1, 2023 through the term of the contract year.

The payment for the incarcerated population will be a one-time payment at the time of transfer from the correctional facility to the inpatient hospital setting. This one-time payment will cover hospital and professional services related to hospitalization.

The purpose of this procedure is to establish and provide guidance to the staff of the Office of Information Systems and the Office of Finance of the PRHIA, who perform the automated data entry and certifications necessary for the execution of the payment of claims on hospitalization services to the incarcerated population to the MCOs; carrying out the rigorous fiscal controls required by current State and Federal Administrations.

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4. Scope

This Procedure applies to the establishment of the necessary controls and the correct execution of disbursements and notifications on the payment of claims submitted by MCOs, in compliance with all applicable State and Federal legislation.

5. Effectiveness

Effective as of the effective date of the contract between the PRHIA and the MCO's (January 2023), the PRHIA will meet the invoices with a single payment, according to the "Correctional Facility Hospital Case Rate", defined for the year of the contract. For incarcerated persons with JIA and Forensic Psychiatry identifier effective as of October 2023.

6. Responsible Parties

The following parties are responsible for the execution of this Procedure.

1. PRHIA Information System Office
2. PRHIA Finance Office
3. MCO's contracted for Plan Vital

7 Procedure for Payment for Inpatient Services by Incarcerated Population

1. The Puerto Rico Medicaid Program (PRMP) receives a monthly beneficiary report from Physician Correctional Health (PHC) indicating incarcerated individuals who have received an inpatient admission service of 24 hours or more. This listing is used as part of the information

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to register the person in MEDITEG as incarcerated (Group ID '97', '03' and '04') in the current system.

2. The ASES will be sending eligibility files to the MCOs, with the data of incarcerated beneficiaries, through the diary in * format. EXP, as notified by PRMP.

Note: Until November 9, 2023, they will be included in the *.sus file, starting with GOLIVE format 834, it is considered for payment as received by PRMP file and claims and encounters format layout *.CLM according to the agreement in the contract.

Population in the custody of the Department of Corrections and Rehabilitation

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- a. The eligible population in the custody of the Department of Corrections and Rehabilitation will be identified with the code '97' in the *group id field*.
 - b. For the population identified in the *group id field* as '97' the MCOs will not have to subscribe to this population, i.e. they do not have to submit the transaction to complete the subscription process in the * file. SUS, to the ASES. They also won't have to assign PCP/PMG.
 - c. To begin the process with the insurer assigned to each case, the Hospital must access the PRMP consultation screen or contact the PRHIA Customer Service and Provider Office to confirm eligibility and the assigned insurer of the inmate to

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whom you must direct your claim for hospitalization services provided in accordance with the billing processes established by the insurer, as indicated in Circular Letter 21-0715 Issued the PRHIA to Hospital Institutions on July 15, 2021.

Population in the Custody of the Administration of Juvenile Institutions and Incarcerated in Forensic Psychiatry


- a. The population in the custody of the eligible Juvenile Institutions Administration will be identified with the code '03' in the *group id* field. And the population under Imprisoned in Forensic Psychiatry with code '04' in the same camp.
- b. For the population identified in the *group id* field as '03' and '04', the MCOs will issue the subscription confirmations. For this population, a monthly premium will continue to be paid after completing the subscription confirmation process.

1. The MCO will make the corresponding validations of the hospital claims of the incarcerated population, subject to the eligibility notified by PRMP, through PRHIA.
2. The MCO will process the invoice and issue payment as appropriate. No co-pays or deductibles will apply.
3. After the payment issued by the MCO to the hospitals, the MCO must report these payment transactions to the ASES through the contractual requirement called *. CLM. The MCO will send paid claims in * format to the PRHIA. CLM - current layout, via FTP Server, under the folder "Encounter Data (Report 12)\CLM".


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**Population in the custody of the Department of Corrections
and Rehabilitation**

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1. The Hospital must identify the hospitalizations of Incarcerated persons in the electronic submission of health care claims information on Form 837 with the incarcerated indicator that this form provides. (NTE02:3599)
 2. The Hospital will send unpaid invoices that have a service date of January 1, 2023 onwards to the appropriate MCO.
 3. Of the correctional population identified with '97', the MCO will only accept claims for hospitalizations of 24 hours or more.
 4. The MCO will include in the *plan field version* '970' for these claims in the * file. CLM for beneficiaries identified with the code '97' in the *group id field*.
 5. Claims to be evaluated by the PRHIA will be those received in the * files. CLM, with "plan version" 970, which is sent by insurers on or before the 15th of each month. The PRHIA will process the payment in the month following receipt of the transactions issued in the *. CLM (970).

**Population in the Custody of the Administration of Juvenile
Institutions and Incarcerated in Forensic Psychiatry**

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1. For the population identified with *group id* '03' and '04', the PRHIA will identify Inpatient Hospital claims with a date of service greater than or equal to October 1, 2023.

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2. The PRHIA will execute a series of validations to identify the claims that are eligible to make a payment from the PRHIA to the MCOs related to the claims of the hospitalization services of the correctional population.

Using the ES database, fed by PRMP data and MCOs, claims will be selected with the following validation criteria:

- a) Insurer contracted by the PRHIA for Plan Vital.
- b) Services Rendered to eligible beneficiaries as of the date of service.
- c) Non-duplicate invoices by MPI and dates of service (from - to).
- d) Identified as paid by the MCO.
- e) Identified as Hospital/Inpatient of 24 hours or more.
- f) Date of service (*from date*) of January 1, 2023, for members under The Administration of Correction ('97') and October 1, 2023 for members under JIA and Forensic Psychiatry ('03', '04' respectively).
- g) Validation of claims already reimbursed by the PRHIA.

3. Once the PRHIA Information Systems Office verifies the file with the paid claims, along with the eligibility period received from PRMP, it will issue a certification of payment to the Finance Office.



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4. The Information Systems Office will issue a file with the totals of the payments by MCO for the interface between the Incarcerated Module of the ES and the MIP System so that the Office of Finance can proceed to issue the payment to the MCO.
5. The applicable rate will be that established in the "*Correctional Facility Hospital Case Rate*" defined for the year of the contract until the effective date of the amendment made. The *Rate Cells* assigned to them are as follows:

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V10	Department of Corrections and Rehabilitation (97)
V17	Administration of Juvenile Institutions (AIJ) (03)
V18	Forensic Psychiatry (04)

6. This process will be worked on in conjunction with premium payments, therefore, payments will be included in the .820 file.

B. References

The following references will be used to execute this procedure.

1. Applicable Federal Laws
2. Applicable Puerto Rico Laws
3. Normative Letter 21-0715, issued by the PRHIA on July 15, 2021.
4. Circular Letter 21-0715, issued by the PRHIA on July 15, 2021.
5. PRHIA specified payment and information handling policies.
6. Plan Vital Contract (2023), between the PRHIA and the MCOs.

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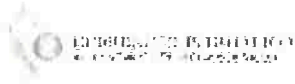
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9. Term

The provisions of this Procedure shall enter into force immediately from the date of their approval.

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