



June 23, 2022

NORMATIVE LETTER 2022-0623

To: Managed Care Organization (MCO) contracted by the Puerto Rico Health Insurance Administration (PRHIA) under the Vital Program

RE: Behavioral Health 70% Minimum Fee Schedule

The Puerto Rico Health Insurance Administration (PRHIA) reminds all Vital Program Managed Care Organizations (MCOs) that a minimum fee schedule was established for eligible professional services through a directed payment arrangement. This rate standard was adopted as part of the governmental initiatives to increase reimbursements to Vital Program providers with the purpose of achieving greater retention of health professionals in Puerto Rico. The arrangement mandates reimbursement of eligible professional services at amounts no less than 70% of the Puerto Rico Medicare Part B fee schedule.

The purpose of this Normative Letter is to shed light on the application of the referenced 70% minimum fee schedule to the provision of behavioral health services. Specifically, that such minimum rates must be applied to all those behavioral health professional services rendered to the beneficiaries of the Vital Program that would qualify for payment if such services were furnished under Medicare Part B, regardless of the provider's contracted reimbursement methodology with the MCOs or the MCOs' subcontractual arrangement for the provision of behavioral health services. We advise that the capitation rates developed under the actuarial certification for CY2021-22, issued by Milliman on February 23, 2022, considered a directed payment arrangement that mandates reimbursement of subcapitated behavioral health services to be reimbursed at amounts no less than 70% of the Puerto Rico Medicare Part B fee schedule. The mentioned rates were updated in the actuarial certification to reflect the minimum fee schedule of 70% of the 2021 Puerto Rico Medicare fee schedule.

PRHIA hereby clarifies the following terms to all MCOs in regard to the application of this 70% minimum fee schedule to behavioral health services:

1. All MCOs must comply with this directive for services rendered during CY2021-2022 (October 1, 2021-September 30, 2022).
2. A minimum fee schedule will be applied for the provision of behavioral health services that are covered under the 2021 Medicare part B fee schedule in the Puerto Rico locality established under section 1848(b) of the Social Security Act that is not less than 70% of the payment that would apply to such services if they were furnished under part B of title XVIII during such fiscal year. MCOs are required to pay no less than the minimum fee schedule for all eligible behavioral health services, regardless of the provider's contracted reimbursement methodology with the MCOs or the MCOs' subcontractual arrangement for the provision of behavioral health services. To be clear, 70% of the Medicare Part B fee schedule will be applied as the minimum fees for behavioral health services reimbursed by MCOs on a Fee-For-Service basis or a subcapitated basis. The cost and utilization assumptions are built into the base Per-Member-Per-Month (PMPM) Payments.
3. If MCOs contract with a party who in turn subcontracts with another party for the provision of behavioral health services, the MCO must ensure and certify that the 70% minimum fee schedule rates reach and are passed through by the subcontractor to the intended beneficiaries (i.e. the behavioral health professionals providing services).
4. In the event that the MCO has contracted to pay behavioral health providers at a greater rate than the 70% minimum fee schedule, the MCO cannot reduce the provider's contracted rates.
5. All MCOs must be fully compliant with the application of the 70% minimum fee schedule to behavioral health services no later than July 31, 2022.
6. The MCO must submit to PRHIA a written certification signed by the Chief Financial Officer (CFO) and the Chief Compliance Officer (CCO) of the MCO within 5 calendar days from the date previously stated to attest compliance with the terms herein indicated. This certification must be submitted via email to: Cumplimiento@asespr.org and to the attention of: **Mrs. Madeline Figueroa, MA, JD-Chief Compliance Office.**

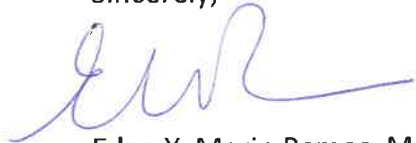
Furthermore, PRHIA emphasizes that MCOs must open their provider network to all licensed behavioral health services professionals who agree to accept the contractual terms and conditions that are offered by the MCO and/or the MCOs' subcontractors. This directive is in place to validate that MCOs guarantee adequate access to behavioral health services to the children, youth, and adult populations of Puerto Rico. The provider network shall be made open to qualified behavioral health providers no later than July 31, 2022. PRHIA will monitor compliance with this directive through the Network Provider List Reports (NPL) submitted monthly.



In accordance with Article 20 of the Plan Vital contract, PRHIA will issue a penalty of not less than \$5,000 per day to MCOs who fail to comply with any of PRHIA's directives described in this normative letter.

PRHIA is committed to the oversight of these requirements as part of the Governmental Public Policy and to the service of the Government Health Plan enrollees.

Sincerely,



Edna Y. Marin Ramos, MA
Executive Director

c: Roxanna K. Rosario-Serrano, BHE, MS
Deputy Executive Director

Madeline Figueroa, MA, JD
Chief Compliance Officer

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