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LME-MCO Communication Bulletin #J195

Date: April 18, 2016
To: LME-MCOs
From: Kathy Nichols, Behavioral Health Manager, Community Based Services Section, DMA, and
Mabel McGlothlen, LME-MCO System Management Section Chief, DMH/DD/SAS
Subject: Out of Network Agreement

This bulletin serves as a follow-up to Joint Communication Bulletin #165 dated October 13, 2015 which outlined the requirements in Session Law 2015-241, Section 12H-3. This legislation requires the LME-MCOs to use out-of-network agreements that contain standardized elements with individual providers of behavioral health or intellectual/developmental disability services in lieu of a comprehensive provider contract when all of the following conditions are met:

- (1) The services requested are medically necessary and cannot be provided by an in-network provider.
- (2) The behavioral health or I/DD provider's site of service delivery is located outside of the geographical catchment area of the LME-MCO, and the LME-MCO is not accepting applications or the provider does not wish to apply for membership in the LME-MCO closed network.
- (3) The behavioral health or I/DD provider is not excluded from participation in the Medicaid program, the NC Health Choice program, or other state or federal health care programs.
- (4) The behavioral health or I/DD provider is serving no more than two enrollees of the LME-MCO, unless the agreement is for inpatient hospitalization, in which case the LME-MCO may, but shall not be required to, enter into more than five such out-of-network agreements with a single hospital or health system in any 12-month period.

Per legislation, the out-of-network agreement should be a streamlined agreement between a single provider of behavioral health or I/DD services and an LME-MCO to ensure access to care in accordance with 42 C.F.R. §

438.206(b)(4), reduce administrative burden on the provider, and comply with all requirements of state and federal laws and regulations.

The Business Practices Standardization Committee in collaboration with LME-MCOs has identified standardized data elements which are to be included in an LME-MCO's Out of Network Agreement. The attached document identifies the required data elements needed to timely process an out-of-network agreement. Please note, a provider's failure to submit certain information (e.g. electronic funds transfer agreement, licensed professional's social security number or date of birth, etc.) when requesting an out-of-network agreement *may* impact the LME-MCO's ability to timely reimburse the provider for delivered services.

Please update and submit your Out-of-Network Agreement to include the attached standardized data elements, and submit a copy to the assigned DMA Waiver Contract Manager by May 31, 2016 for review.

Please contact Beverly Bell at 919-855-4321 or Beverly.Bell@dhhs.nc.gov if you have questions.

Previous bulletins can be accessed at: <http://jtcommunicationbulletins.ncdhhs.gov/>

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