

2023 Indian Health Service Partnership Conference

Purchased/Referred Care (PRC) 101

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Introduction to PRC

This presentation is an overall review of the basic principles of the PRC program.

Some processes and recommendations presented may be specific to the Oklahoma City Area and Navajo Area, please consult with your Area PRC Officer if material presented contradicts the recommended practice in your Area.



What is PRC?

From 42 CFR Part 136:

“Contract Health Services means health services provided at the expense of the Indian Health Service from public or private medical or hospital facilities other than those of the service.”*

*The Consolidated Appropriation Act of 2014 renamed the Contract Health Services (CHS) program to Purchased/Referred Care (PRC) program. All policies and practices remain the same.



IHS Direct Care (42 CFR 136.12)

Indian Descent: A person requesting *IHS Direct Care Services** must provide proof of enrolled membership; or, proof that he/she descends from an enrolled member, of a federally recognized tribe (42 CFR 136.12). PRC eligibility begins with the eligibility for Direct Care services.

**services available onsite at an IHS or Tribal Health Facility.*

There are 574 U.S. Federally Recognized Tribes (as of Jan 2022)

Tribes are recognized by Federal recognition statute or through the Bureau of Indian Affairs (BIA) administrative recognition process.



Patient Registration

PRC eligibility begins with Direct Care eligibility. Patient registration is the first point of contact for clinic visits, obtaining the patient demographic information is a very important task and certain information should be updated at every opportunity.

Patient Registration should obtain following information, during every visit:

- Information such as demographics mailing address, include physical location residence for rural areas, emergency contacts; telephone numbers are essential for patient follow up and where PRC vendor/providers contact the patient to schedule appointments.
- Tribal Enrollment and/or descendent documentation is a requirement for direct care services.
- Updating Private Insurance, Medicare, Medicaid and any Alternate Resource (AR) information benefits direct care billing, PRC payment (PRC is the Payor of Last Resort) and Medicaid referrals may require further processing if IHS is not the Medicaid recipient's Primary Care Provider. Verify Alternate Resource via available software, portals, etc.
- Other information as required by IHS, e.g., assignment of benefits.



Patient Registration - cont.

- Patient Registration, Patient Benefits Coordinators, and PRC Staff should work as a team to identify available alternate resources and/or assist patients in applying and enrolling into an alternate resource.
- When updated/current information is missed, it can create extra work for PRC, Direct Care Billing, the FI, and private sector vendor/providers, including loss in direct care collections & potential PRC reimbursement.



Patient Registration - cont.

REMINDER:

- If we send a letter of denial and it is returned to us with a “return to sender” note and not delivered successfully, this impacts the appeal time limitation of 30 days to respond to the denial decision.
- Private Insurances, Medicare or Medicaid information: correct information is required for IHS direct care billing and PRC referrals. Information not updated or changed, delays processing payment of outstanding claims or loss of revenue for the direct care services. Reporting changes related to employment status, new insurance or termed insurer file is important to avoid delays in payment of medical care costs, especially if changes has occurred from previous update.
- Pre-screening or application for Medicaid, report the date of enrollment or bring information regarding decisions made on the application to avoid delays in PRC making inappropriate eligibility decisions. Example: If an individual has become MCD eligible within the 45 days (MCD’s turnaround time) we may not have notified the provider of service with the updated MCD information until after timely filing; which causes PRC to pay.
- Tribal Enrollment Information: IHS requires this information to provide direct health care services



Residency (42 CFR 136.23)

To be PRC eligible, an applicant must be a member or a descendant of an enrolled member of a federally recognized tribe; and reside on a reservation, or;

If not residing on a reservation, must reside within a PRC Delivery Area (PRCDA); and:

- Are members of the tribe(s) located on that reservation; or
- Maintain close economic and social ties with that tribe.

“Residence: Where a person lives and makes his or her home as evidenced by acceptable proof of residency or acceptable proof established by the Service Unit.” Persons claiming PRC eligibility have the responsibility to furnish documentation to substantiate the claim.

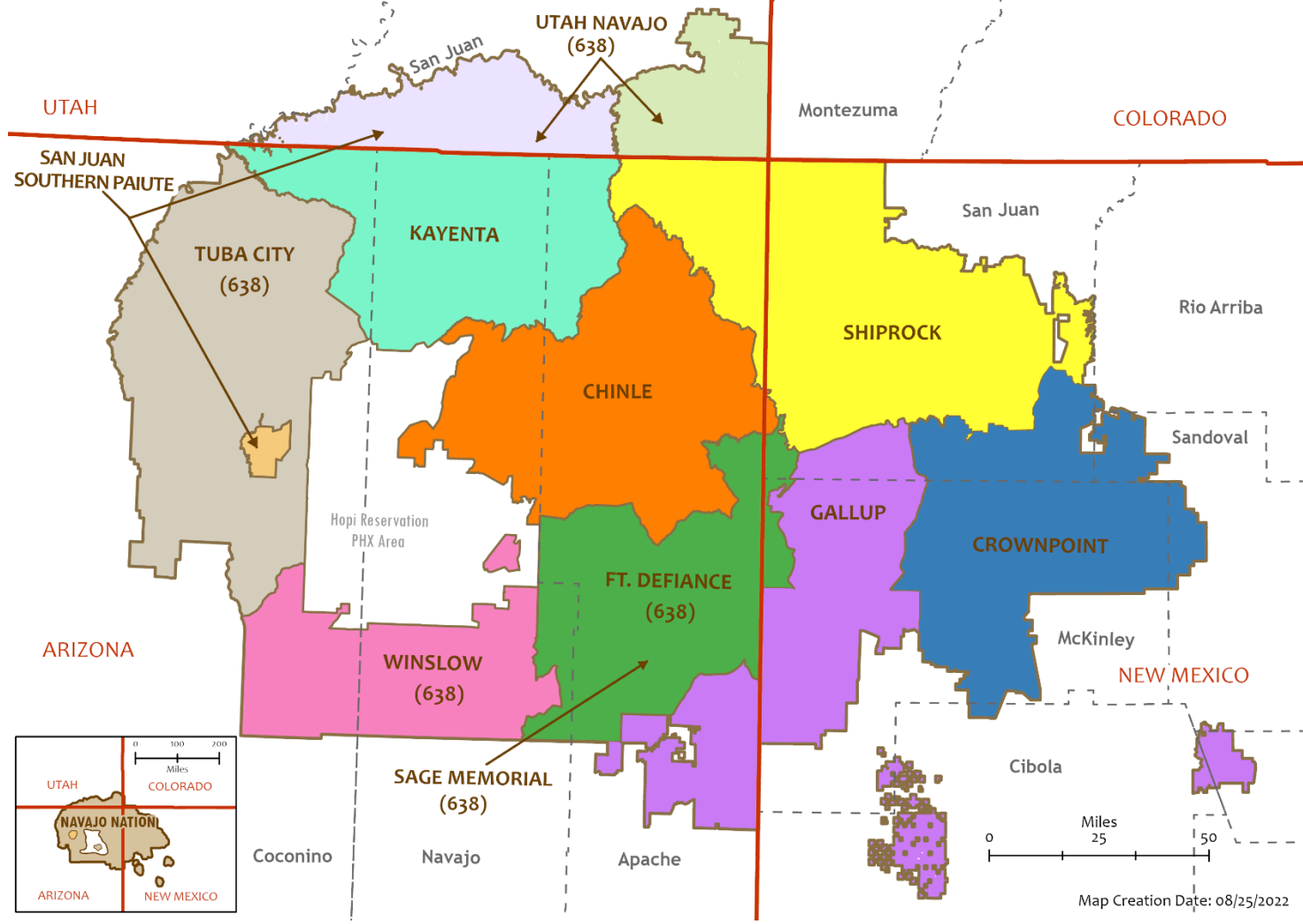
- Proof of Residency Policy and/or **IHS-976 form**.
<https://www.hhs.gov/sites/default/files/ihs-976.pdf>
- **PRCDA**: consists of a county which includes all or part of a reservation, and any county or counties which have a common boundary with the reservation.

Illustration/Example of a PRCDA on the next slides...





NAVAJO AREA IHS SERVICE UNITS & 638 CONTRACTS
















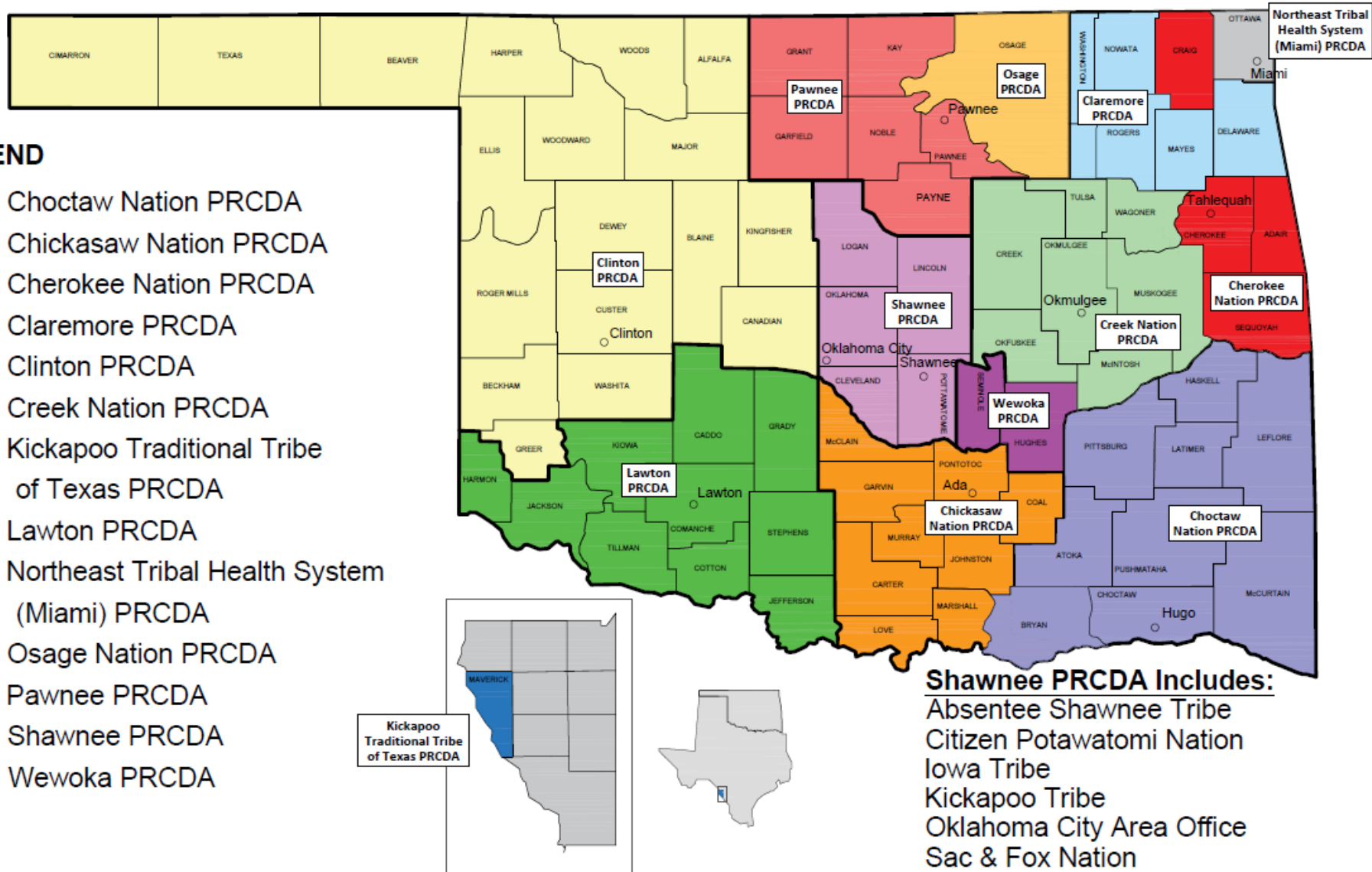
Tuba City & Sage Memorial are under “Home of Record: while other Facilities are “He who refers, pays” – referral process.



Oklahoma and Texas Purchased/Referred Care Delivery Areas (PRCDAs)

LEGEND

-  Choctaw Nation PRCDAs
-  Chickasaw Nation PRCDAs
-  Cherokee Nation PRCDAs
-  Claremore PRCDAs
-  Clinton PRCDAs
-  Creek Nation PRCDAs
-  Kickapoo Traditional Tribe of Texas PRCDAs
-  Lawton PRCDAs
-  Northeast Tribal Health System (Miami) PRCDAs
-  Osage Nation PRCDAs
-  Pawnee PRCDAs
-  Shawnee PRCDAs
-  Wewoka PRCDAs



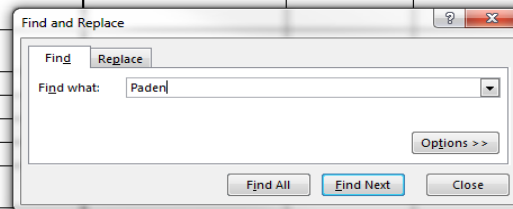
Shawnee PRCDAs Includes:
 Absentee Shawnee Tribe
 Citizen Potawatomi Nation
 Iowa Tribe
 Kickapoo Tribe
 Oklahoma City Area Office
 Sac & Fox Nation



Oklahoma PRC Delivery Area Directory

- Due to the complexity of determining a patient's delivery area in the Oklahoma City Area, we have created an excel sheet of all cities to assist vendors/providers and all our PRC sites.

Okay	Wagoner	*2 service units	Inpt/Creek Nation	ER/Outpt/Claremore IHS				
Okeene	Blaine	Clinton Service Unit	(580) 331-3590 or (888) 843-3092	Fax (580) 331-3565				
Okemah	Okfuskee	Creek Nation	(918) 758-2710	Fax (918) 756-1732				
Okesa	Osage	Pawnee Service Unit	(918) 762-2517	Fax (918) 762-4696				
Okfuskee	Okfuskee	Creek Nation	(918) 758-2710	Fax (918) 756-1732				
Oklahoma City	Oklahoma	OKC Area Office	(405) 951-6075	Fax (405) 951-3920				
Okmulgee	Okmulgee	Creek Nation	(918) 758-2710	Fax (918) 756-1732				
Oktaha	Muskogee	*2 service units	Outpt/ER Cherokee	Inpatient/Creek Nation				
Oleta	Pushmataha	Choctaw Nation (Talihina)	(918) 567-7000	Fax (918) 567-7035				
Olney	Coal	Chickasaw Nation (Ada)	(580) 421-4549 or (800) 851-9136	Fax (580) 421-4501				
Olustee	Jackson	Lawton Service Unit	(580) 353-0350 or (888) 275-4886	Fax (580) 354-5168				
Onapa	McIntosh	Creek Nation	(918) 758-2710	Fax (918) 756-1732				
Oneta	Wagoner	Creek Nation	(918) 758-2710	Fax (918) 756-1732				
Oologah	Rogers	Claremore Service Unit	(918) 342-6466	Fax (918) 342-6557				
Orlando	Noble	Pawnee Service Unit	(918) 762-2517	Fax (918) 762-4696				
Orr	Love	Chickasaw Nation (Ada)	(580) 421-4549 or (800) 851-9136	Fax (580) 421-4501				
Osage	Osage	Pawnee Service Unit	(918) 762-2517	Fax (918) 762-4696				
Oscar	Jefferson	Lawton Service Unit	(580) 353-0350 or (888) 275-4886	Fax (580) 354-5168				
Overbrook	Love	Chickasaw Nation (Ada)	(580) 421-4549 or (800) 851-9136	Fax (580) 421-4501				
Owasso	Tulsa	Claremore Service Unit	(918) 342-6466	Fax (918) 342-6557				
Ozark	Jackson	Lawton Service Unit	(580) 353-0350 or (888) 275-4886	Fax (580) 354-5168				
Paden	Okfuskee	Creek Nation	(918) 758-2710	Fax (918) 756-1732				
Page	Leflore	Choctaw Nation (Talihina)	(918) 567-7000	Fax (918) 567-7035				
Panama	Adair	Cherokee Nation	(918) 453-5558	Fax (918) 458-6124				
Panama	Leflore	Choctaw Nation (Talihina)	(918) 567-7000	Fax (918) 567-7035				
Panola	Latimer	Choctaw Nation (Talihina)	(918) 567-7000	Fax (918) 567-7035				



Notification (42 CFR 136.24)

Emergent Care: Notify the appropriate PRC ordering official within 72 hours after the beginning of treatment or admission to a health care facility. Elderly (65 years of age or older) and disabled are allowed 30 days to notify IHS or Tribal PRC Program.

- Notification may be made by an individual or agency acting on behalf of the individual.
- The notification shall include the necessary information to determine the relative medical need and the individual's eligibility. **(42 CFR 136.203)**

Non-Emergent Care: Obtain approval **prior** to receiving medical care and services. Notify the appropriate ordering official and provide information necessary to determine relative medical need. May be waived by the ordering official, if such notice and information are provided within 72 hours after beginning of treatment; and, ordering official determines prior notice was impracticable or other good cause exists for failure to provide prior notice.



Alternate Resources (42 CFR 136.61)

42 CFR §136.61 establishes IHS as the “Payor of Last Resort”.

Alternate Resources means health care resources other than those of the IHS. Such resources include Medicare, Medicaid, Private Health Insurance, and State or local health care. IHS is the Payor of Last Resort for approved PRC referrals.

IHS will not be responsible for or authorize payment for PRC to the extent that:

- The person would be eligible for Alternate Resources if he/she were to apply for them (not required to expend personal resources).
- **“REASONABLE INQUIRY”** compare pt. income, etc. to Medicaid guidelines and if potentially eligible, IHS may require them to apply.
 - IHS Policy: “...patients should not automatically be denied [PRC] benefits simply because of the possibility they might be eligible for an alternate resource”. IHS must do a Reasonable Inquiry prior to denial of a PRC referral.



Alternate Resources – cont.

- Medicaid – SCHIP, Aged/Blind/Disabled Program and Medicare Supplemental Program
- Medicare – Part A, B, C & D; End Stage Renal Disease (ESRD)
- Veteran Affairs (VA)
- Disability – Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI).
 - Please also apply for Medicaid/Title 19. Applications can be certified back to the date that Social Security Administration establishes the patient to be disabled as long as a Title 19 application was accepted at the same time.
 - Please ensure that billers timely file account(s) with Medicaid so they will retro reimburse
- Insurance – Health, Sports, Liability & Worker’s Compensation
- Victims of Crime Compensation Board
 - IHS is the payor after Victims of Crime Compensation Board
- Breast Cervical Cancer Treatment Program



Alternate Resources – cont.

- The IHS expects the non-IHS provider of services to assist IHS patients in applying for alternate resources as it would for its uninsured non-AI/AN patients.
- The non-IHS provider must investigate with each patient, his or her eligibility for alternate resources, and should assist the patient in completing the necessary application forms for AR.
- The IHS encourages strong partnerships with Benefit Coordinators within the Indian Health System.



Students and Transients (42 CFR 136.23)

Students and Transients*

- PRC may be available to students and transients who would be eligible for PRC at the place of their permanent residence within a PRCDA, but are temporarily absent from their residence.
 - **Transients:** PRC eligible persons who are temporarily employed such as seasonal or migratory workers, during their absence.
 - **Students:** During full time attendance at programs of vocational, technical, or academic education, includes high school students. In addition, persons who leave a location (in which they were PRC eligible) may be eligible for PRC for a period of 180 days from such departure.

Students & Transients must still comply with all other PRC eligibility requirements.

*Refer to 42 CFR 136.23(b), (1) and (2) for student and transient definition(s).



Other PRC Eligible Persons

- Non-Indian woman pregnant with an eligible Indian's child – duration of pregnancy & up to 6 weeks postpartum. (proof required)
- Non-Indian member of an eligible Indian's household for public health hazard.
- Adopted, foster & step-children up to 19 years of age (IHCIA)

Must still comply with all other PRC requirements



PRC Review Committee

Review PRC referrals, monitor the expenditure of PRC funds and high cost cases.

Medical staff assign medical priority and rank referrals within the medical priorities. Administrative staff authorize referrals within the weekly/daily spending plan in order of ranking, beginning with medical priority I.

- At a minimum the PRC Review Committee consists of CEO/AO, CD, DON or UR/Discharge Planner, Case Managers, Social Services, BH CM and PRC staff.
- PRC Review Committee meetings are held at least once weekly.
- Minutes of the meetings will be kept on file for audit purposes and tracking (**example attached**)

Weekly/Daily Spending Limit (fiscal year funding ÷ 52 weeks = weekly spending limit): IHS policy is to expend PRC funds at a consistent rate throughout the entire fiscal year to prevent radical changes in the level of medical care provided throughout the year.

- Determines the level of care (medical priority) a service unit is able to authorize.
 - All requests for care are either **Approved**, **Deferred** (delayed/non-emergent care), or **Denied**.

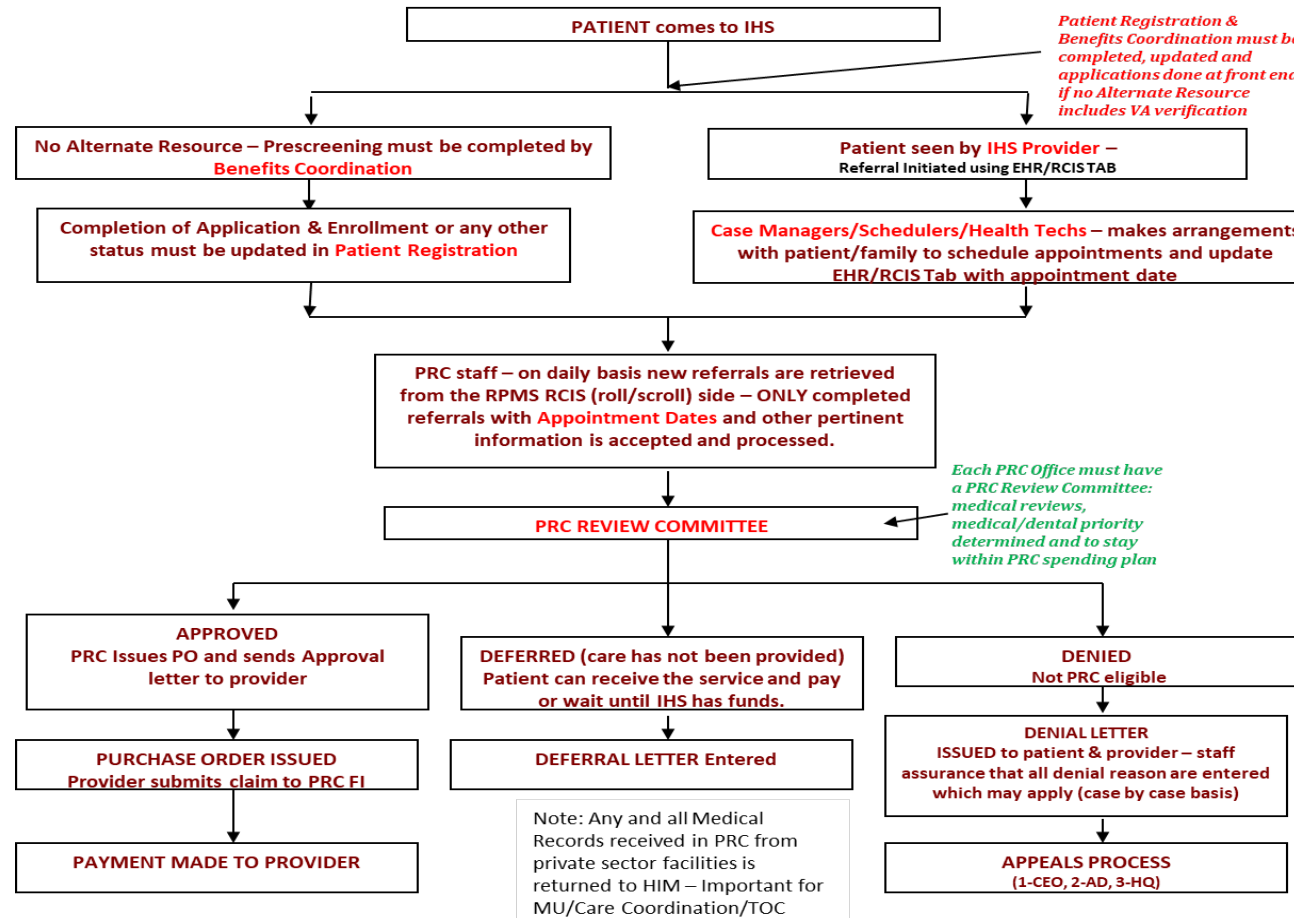


PRC Review Committee – cont.

Service Unit			
Case Management Meeting Minutes			
Week of:			
Presenter:	Topic	Discussion	Committee Action
Budget Analyst	Spending Plan and Status of Funds	Weekly spending amounts, projected balance, high cost cases, etc	Ranking and approve cases based on "funds availability"
PRC Supervisor - Designee	Presents number of referrals received within the week/weekend - approved/denied/pending; how many referrals need MP or follow up for add't information to complete etc.	1. Is there PRC funds available per spending plan to approve and prioritize pending referred care? 2. If not, are there cases which may be deferred? 3. Possible CHEF cases from pending referrals	1. Prioritize all cases pending if MP met 2. Follow up on pending/incomplete cases 3. Process high costs cases promptly
Committee Members:	Chart # or RCIS # - EXAMPLE #1 Referral in RCIS, Pt has no AR; Poss new ESRD case; High Desert Nephrology Consult DOS:	PRC will report - PBC in process - follow up Date: PRC made contact with patient/provider to alert of no AR. CM will report their findings regarding medical need or further care	PRC to cover until AR is approved or denied (revisit) next week - MP 1C assigned today Dr's initial, notify CM to alert them of ongoing case which may need further care and possible other referred care entries in EHR , etc.,
Committee Members:	Chart # or RCIS # EXAMPLE #2 Notification recvd from Banner Health/Phx regarding MVA case who has no AR. RCIS entered but pending prescreening for AR. Multiple injury case; may need Rehab and poss DME for home	PRC will report - Referral to PBC on Date: No response yet to date Case Manager - will report medical followup as to acuity and length of stay and discharge plans	MP assigned as 1A from Committee but need PBC's follow up and status to complete PRC decision due asap Also need update next week by CM in regards to d/c plans (for entry into RCIS a d/c date to close referral dates) If PRC pays, might be a CHEF (catastrophic - high cost case).
Committee Members:	EXAMPLE #3 All third party (payer in full) cases and denied cases	PRC reports from RRR RCIS report all referred cases during the week and those inpatients still in hospitals who are covered by other payers in full, maybe split out by: RMCHS (4) Medicare/NM MCD outpatients, UNMH (3) MCD inpatients, Presbyterian (1) MCD outpt, others (50) outpatient ancillary facilities. Reports must be shared with CMs so they know who to follow up before these meetings.	Attached listing will be filed with the minutes to show GAO/OIG who was reported during the week.
Nurse Case Manager or CD/Nurse Committee Members:	Any concerns/issues related to clinical referred care Approval of meeting actions	DME issues/concerns, Questionable Referrals, Pending Referrals/Scheduling, medical prioritization on week's referrals, high costs cases/diagnosis, transport concerns, etc.,	Notations need to be made by CM in referral to continued care or follow up; placements, DME needs, transport needs for PRC to know whether additional costs or extended stays and to issue for additional items not completed yet.



PRC Flow - Direct and Self Referred



Medicare Like Rates (42 CFR 136.30)

42 CFR, Subpart D, §136.30 – Limitation on charges for services furnished by Medicare-Participating (in-patient) hospitals to Indians.

- Requires Medicare participating hospitals that provide inpatient hospital services to accept Medicare-Like Rates (MLR) as payment in full when delivering services to PRC eligible patients who are referred to them by programs funded by the IHS.
- MLR for IHS/Federal Facilities is determined by the IHS Fiscal Intermediary, Blue Cross Blue Shield of NM.
 - Tribally Operated PRC programs may contract with the IHS FI or purchase their own software to calculate the MLR.
- Became effective July 5, 2007



PRC Rates (42 CFR 136.203)

The General Accounting Office (GAO), conducted a study and in April 2013 released a report recommending congress cap IHS PRC payments for physician and non-hospital services at rates comparable to other federal programs.

- NPRM published in the Federal Register (FR) December 5, 2014, extended to February 4, 2015 to allow for a 60 day comment period. Final rule published in FR on March 21, 2016, IHS addressed all comments in the preamble of the final rule.
- Effective date is May 20, 2016, IHS programs must implement no later than March 21, 2017. Tribes have the option to Opt-In to the rule and implement immediately or when they are fully able to implement the rule.

For medical services not previously covered by MLR

- Described as payment for physicians and other health care professional services, associated with hospital and non-hospital-based care.

42 CFR Part 136, Subpart I – Limitation on Charges for Health Care Professional Services and Non-Hospital-Based Care.

- §136.203 – Payment for provider and supplier services purchased by Indian health programs.
 - Services covered are, but not limited to: Outpatient care, Physicians, Laboratory, Dialysis, Radiology, Pharmacy, and Transportation services.
 - **3 Tier payment system**, 1) Contract, 2) Medicare Fee Schedule, 3) 65% of billed charges.



Payment Process

- Purchase Delivery Order (PDO) is issued
 - Medicare Like Rates (MLR)
 - Purchased/Referred Care Rates (PRC)
 - Federal Acquisition Regulation (FAR)
 - Requires *UEI and registration in *SAM

*UEI Unique Entity Identifier- number issued by SAM to identify businesses and other entities that do business with the federal government.

*SAM (System for Award Management)



Payment Process – cont.

- Purchase Delivery Order (PDO) is issued
 - Established Eligibility with PRC
 - Self Referrals (call-ins/ER Notification) must occur timely (within 72 hours/30 days)
 - Approved Pre-Authorization (referral)
 - Exhaust Alternate Resources



PRC Purchase Order

IHS Service Units may issue form IHS-843-1A, Order for Health Services for approved PRC care.

- Provider/vendor shall complete IHS-843-1A and ensure private insurance/Medicare/Medicaid are billed first.
- Submit P.O., along with proper documentation, to the IHS Fiscal Intermediary (FI), Blue Cross Blue Shield of New Mexico.
- The FI will review, ensure the Medicare-Like Rate and PRC rate is correct, if applicable, and issue payment.
 - “*Life of a PRC PO*”. Service Unit policy regarding the time frame a PRC PO may be kept open or obligated, sent annually to vendor/providers.
 - There is an enhanced vendor report in the system which you can send as open document (open POs) to a vendor and can be downloaded to an excel. **See sample of VURS report in next slides.**



Vendor Usage Report

GALLUP MED C
 VENDOR USAGE REPORT - OPEN DOCUMENTS ONLY
 Provider: REHOBOTH - RED ROCK CLINIC
 Jul 25, 2022 - FY2020 OPEN DOCUMENTS

DOCUMENT #	PO	ISSUE DATE	PATIENT NAME	HRN	DOB	LAST-4SSN	TYPE
OC	AUTHORIZATION	FROM-TO	STAFF	DOLLARS (*=PAID)			
20-N20-00021	02/29/2020		Mickey, Sonny	004658	06/13/1954	2221	64
254D	01/13/2020-01/13/2020		PA	500			
			ALTERNATE RESOURCE	POLICY NUMBER	ELIG ST	ELIG END	
			MEDICARE A	3X21J52CX99	06/01/18		
			MEDICARE B	3X21J52CX99	06/01/18		
20-N20-16779	08/18/2020		DAVID, Hoover	025932	9/14/1967	4111	64
254D	08/26/2020-09/05/2020		KR	100			
			ALTERNATE RESOURCE	POLICY NUMBER	ELIG ST	ELIG END	
			UNITED HEALTH CARE	9688818379	11/01/17		
			MEDCO CLAIMS PROCESSING	UN0555038993	12/01/17		
-----		TOTALS		DOCUMENTS:	2	DOLLARS:	\$600.00



PRC Purchase Order

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES INDIAN HEALTH SERVICE		
ORDER FOR HEALTH SERVICES		
Instructions to complete the order and claim submission on reverse side of Original form. Order Provisions and Clauses on Copy 3 - Provider		1. ORDER NO.
2. PATIENT IDENTIFICATION		3. HEALTH INSURANCE COVERAGE a. Name of Policy Holder: b. Plan Name: c. Address: d. Policy No.: e. Coverage Type: <input type="checkbox"/> Current <input type="checkbox"/> Previous f. Effective Date: g. Termination Date h. Other Health Insurance Coverage:
4. IHS ORDERING FACILITY		
5. HOSPITAL INPATIENT <input type="checkbox"/>	6. DENTAL <input type="checkbox"/>	7. OTHER THAN HOSPITAL INPATIENT OR DENTAL <input type="checkbox"/>
8. ESTIMATED CHARGES \$	9. FISCAL YEAR CAN	10. OBJECT CLASS CODE
REFERRAL AND AUTHORIZING INFORMATION		
11. AUTHORIZATION VALID (From) (To)		13. REASON FOR REFERRAL
12. SERVICES ORDERED		14. REFERRING IHS PHYSICIAN 15. REFERRING INS DENTIST 16. MEDICAL /DENTAL PRIORITY
PRICING INFORMATION		
17. IHS NO. OF a. <input type="checkbox"/> Contract, b. <input type="checkbox"/> Agreement, or c. <input type="checkbox"/> Rate Quotation:		
18. DATE OF RATE QUOTATION (if applicable):		
19. RATE FOR AUTHORIZED SERVICES: a. <input type="checkbox"/> Medicare Rate, or b. <input type="checkbox"/> Other Rate (Specify):		
20. TITLE	21. SIGNATURE (IHS ordering official)	22. DATE SIGNED
23. PAYMENT IS HEREBY AUTHORIZED BY (IHS authorizing official)		24. DATE SIGNED
		25. AMOUNT APPROVED \$
PROVIDER INSTRUCTIONS, IDENTIFICATION, AND CERTIFICATION		
26. PROVIDER a. Name b. Address		c. Telephone Number () d. EIN No. e. DUNS No.
27. PROVIDER CLASSIFICATION (Check appropriate boxes) a. <input type="checkbox"/> Small Business b. <input type="checkbox"/> Small Disadvantaged Business c. <input type="checkbox"/> Woman-Owned Small d. <input type="checkbox"/> HUBZone Small Business e. <input type="checkbox"/> Other		
28. INSTRUCTIONS If IHS has not completed Item 19 above, the provider should indicate its rate for the authorized services in that block. It is IHS policy to pay Medicare rates or equivalent or lower rates for health care services. IHS has approved payment to you for services necessary to treat the patient's immediate condition. Any additional services must be approved by the IHS authorizing official and may require an additional order for health services form. The provider shall submit CMS 1450-1500 or ADA Dental Form for payment to: _____ Additional instructions for submitting claims are included on page 2 of this form, and the conditions and clauses pertaining to the order are included on the reverse side of Copy #3 of the order for health services.		
29. SIGNATURE OF PROVIDER		DATE
I certify that I have provided the authorized services:		
IHS-843-1A (6/12)	ORIGINAL – FINANCE	FORM APPROVED OMB NO. 0917-0002 EXPIRES: 04/30/2016

Paperless Purchase Order Process - Oklahoma City Area

- For services recently obligated, weekly PDO reports are submitted to Providers.
- Six reports are sent to Providers annually of every issued PDO that remains pending for payment.

Indian Health Service

Shawnee H Ct Purchased/Referred Care

Purchase Delivery Orders For: OK FOOT & ANKLE TREATMENT CTR

Ok Foot & Ankle Treatment Ctr (██████████) Fax:									
Patient / Active Alt Resources	HRN	DOB	DOS	Order No (Letter 'O')	Authorized	OCC	Service	Description	Dollars
██████████ Medicare-A: 10/01/2020; Medicare-B: 07/01/2022 MUTUAL OF OMAHA: 01/01/2022 (35967796)	██████	██████	02/26/2021-02/26/2021	210910████	02/25/2021	254D	Outpatient	ORTHO EVAL	\$300.00
Total Open Documents: 1 Total Dollars Open: \$300.00									



Catastrophic Health Emergency Fund (CHEF)

Purpose:

- CHEF is established to support and supplement Purchased/Referred Care (PRC) programs that experience extraordinary medical costs associated with the treatment of disasters and/or catastrophic illnesses that are within the responsibility of Indian Health Service (IHS) and Tribes.

What is CHEF?

- The fund was created by Congress to reimburse medical expenses incurred for catastrophic illnesses and events falling within the PRC payment responsibility of IHS after a threshold cost has been met. Currently the cost threshold requirement is \$25,000 and must first be met before reimbursements can be expected from the CHEF.

- **In-depth training on CHEF will be offered in CHEF 101.**



Denials and Appeals (42 CFR 136.25)

Persons to whom PRC are denied shall be notified of the denial in writing.

- **Denial Reasons in RPMS/CHSMIS:** Notification, Medical Priority, IHS Available, Alternate Resource Available, Indian Descent/Membership, & Residency.
 - PRC programs should insure all applicable denial reasons are identified and applied.
- The Service Unit shall notify the applicant that within 30 days from the receipt of the denial:
 - The applicant may obtain a reconsideration by the appropriate CEO of the original denial; the request must be in writing.
- 3 levels* of appeal:
 - 1st level: CEO, Service Unit issuing the original denial
 - 2nd Level: Area Director, IHS
 - 3rd Level: Director, IHS, Rockville, MD
- The decision of the Director, IHS shall constitute final administrative action.
 - *The levels of appeal may differ for tribally contracted facilities.



PRC Outreach

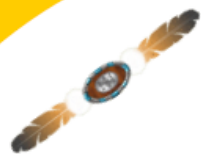
IHM, 2-3-9 E: Examples of notification include publication in local community or Tribal newspaper and posting of notices in public waiting areas in IHS facilities.

Outreach is periodically provided by Area PRC staff to Tribes, private sector vendor/providers, and others as requested.

PRC Service Unit staff make periodic vendor visits, especially with high volume vendor/providers and provide community outreach as well.

The next slide shows example of Oklahoma City Area pamphlet that is given out to communities and vendors.





Better Healthcare for Indian
People; Today and Tomorrow



Oklahoma City Area Indian Health Service
Purchased/Referred Care
701 Market Drive, Suite 143
Oklahoma City, OK 73114
(405) 951-6075
www.ihs.gov

Revised September 2019

Oklahoma City Area
Indian Health Service

Purchased/ Referred Care



- Purchased/Referred Care (PRC) is health care purchased by the Indian Health Service (IHS) from non IHS providers and facilities when direct services of care are not available at an Indian Health System Clinic or Hospital.
- Due to limitation of PRC resources, funds must be managed in accordance with established medical priorities.
- PRC funding is only used for referred and emergency services.



How Does PRC Work

Requests for PRC are reviewed weekly and ranked according to relative medical priority. Requests are approved for PRC payment to the extent of available resources for the review period.

Eligibility

Patients must meet eligibility, notification, pre-authorization, and alternate resource requirements of the PRC program.

To be eligible for PRC funding, you must meet all of the 5 requirements listed below:

1. be a member of, or descendent of a federally recognized Indian tribe and provide appropriate documentation such as a Certificate of Indian Blood (CDIB) or birth certificate reflecting descendency from an otherwise enrolled tribal member. A non-Indian pregnant woman with an eligible Indian's child is eligible for direct and PRC care during pregnancy and for 6 weeks through post partum for OB related care;
2. reside on a permanent basis within a PRC Delivery Area (PRCDA) that includes the state of Oklahoma, Brown, Doniphan, Douglas, Jackson Counties in Kansas, Richardson County, Nebraska and Maverick County, Texas;

The following individuals are also eligible:

- A. Full-time boarding school, college, vocational, or other academic students who are living away from the PRCDA specifically for the purpose of education. Haskell Service Unit covers all full time students at Haskell Indian Nations University.
- B. Person who is temporarily away from the PRCDA due to travel, employment, etc.
- C. Non-Indian adopted, step children, and foster children of an otherwise eligible Indian parent. Indian children placed in foster care away from the PRCDA by order of a court of competent jurisdiction and who were eligible for PRC at the time of the court order shall continue to be eligible.
- D. Maintain close economic and social ties with that federally recognized tribe or tribes.

Accessing PRC

3. Payment for medical care outside an IHS facility can only be authorized by a PRC official if funds are available. PRC is also the Payor of Last Resort so all other payors such as Medicaid, Medicare and private insurance must be exhausted first. To access payment for services through PRC, after all other payors, a patient must first either have a pre-authorized referral for a specific date of service or emergency service. Keep the following specifics in mind to ensure that PRC has authorized the care.

Referrals

- A. Referrals are written by an Indian Health System provider(s) for service(s). A referral, however, does not constitute authorization for payment until approved by PRC. If funds are not available the referred service(s) will be deferred or denied. All approved referrals are date specific and any further treatment requires a new approved referral.

Appointments

- B. It is important that all referral appointments are kept. Patients are asked to cancel any appointments at least 3 days prior to the scheduled appointment date by a telephone call to PRC. Any changes to the appointment must be made by the PRC staff in order to ensure authorization for payment.

Verification

- C. Patients are to take alternate resource(s) identification with them to their appointment to ensure providers have accurate and appropriate billing information.

Emergency Services

- D. PRC must be contacted within 72 hours of receiving emergency care other than at a ITU. For an elderly or disabled person receiving emergency care, this time may be extended to 30 days. If a patient is unable to contact PRC, a person acting on their behalf must contact PRC within the same time limits. All non-emergency care must be pre-authorized by PRC before receiving medical treatment.

Alternate Resources

4. You must apply for all resources available to you such as: Medicaid, Medicare, Worker's Compensation, Vocational Rehabilitation, Auto Insurance and other personal injury or liability coverage. PRC staff and/or Benefit Coordinators can assist with the application process for alternate resources. Failure to exhaust available or potentially available alternate resources may result in denial of payment.

Claims Coordination

5. Patients are to provide the PRC Office copies of the following documents for claims processing:

Alternate resource(s) payment information
Explanation of Benefits Report
Remittance Statements/Reports
Other documentation of payments
Responses to application for alternate resources
Medical records

Denials

If your request for PRC funding is denied, you will receive a letter informing you of the denial. Sometimes all that is needed is more information. If you already went to a non-Indian Health Service provider for your care a letter of denial for payment will also be sent to them. You have 30 days to request reconsideration in writing. Please address the appeal letter to the PRC program listed at the bottom of the denial letter.



2023 Indian Health Service Partnership Conference

Purchased/Referred Care (PRC) 101:
Medical Priorities

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Medical Priority (42 CFR 136.23)

42 CFR §136.23(e): When funds are insufficient to provide the volume of PRC indicated as needed by the population residing in a PRC Delivery Area, priorities for services shall be determined on the basis of relative medical need.

- PRC Medical Priorities are determined by IHS providers.
- It is IHS policy to expend funds at a consistent rate throughout the entire FY
- Adherence to appropriate laws, regulations & acquisition operating instructions is absolute.



Medical Priorities

From IHS Manual Exhibit 2-3 B:

- **Priority I** – Emergent or Acutely Urgent Care Services
- **Priority II** – Preventive Care Services
- **Priority III** – Primary & Secondary Care Services
- **Priority IV** – Chronic Tertiary & Extended Care Services
- **Priority V** – Excluded (Cosmetic and experimental)

From IHS Manual Exhibit:

- **Category A** – Preventive & Rehabilitative Services
- **Category B** – Medical, Dental, Vision & Surgical Services
- **Category C** – Reproductive & Maternal/Child Health Services
- **Category D** – Behavioral Health Services



Medical Priority General Categories

Category A: Preventive and Rehabilitative Services

Services designed to maintain health, prevent disease or the complications of disease, as well as those services intended to return or maintain a higher level of physical functioning.

Category B: Medical, Dental, Vision & Surgical Services

Services provided by medical, dental, vision, or surgical specialists, as well as diagnostic tests, equipment, and supplies, whose purpose is the diagnosis and treatment of disease

Category C: Reproductive & Maternal/Child Health Services

Reproductive and gynecological services as well as services provided to newborns, children, and adolescents

Category D: Behavioral Health Services

Services intended to address the mental health needs of the patient, including treatment of substance abuse disorders.



Description of IHS Medical Priority Levels:

- ❑ CORE (Priority 1) = Essential Services must meet two criteria
- ❑ INTERMEDIATE (Priority 2) = Necessary Services
- ❑ ELECTIVE (Priority 3) = Justifiable Services
- ❑ EXCLUDED SERVICES (Priority 4)



CORE (Priority 1) Essential Services

CORE (Priority 1) = Essential Services must meet two criteria

- 1) The service must be (one of the following);
 - a. Either necessary to protect life, limb, or vision in the next 30 days,
 - b. **OR** Indicated for a substantial proportion of patients in the Indian Health Service
- 2) **AND** the service must be a core component of the current standards of care for the condition (i.e. you cannot provide appropriate care without the service)

CATEGORY A: Preventive & Rehabilitative

Hospice

Screening Mammogram

DEXA Scan

Wound management

CATEGORY C: Behavioral Health Services

Psychiatric Emergency Care

Psychiatric Hospitalization, Acute

Child Psychotherapy

Inpatient Alcohol/Substance Rehabilitation

CATEGORY B: Medical, Dental, Vision, & Surgical Services

Emergency Care: Acute MI, Pulmonary Embolism

Emergency Transport

Hospitalization, Acute Medical/Surgical

Cancer Diagnosis/Treatment

CATEGORY D: Reproductive & Maternal/Child Health Services

Prenatal Care

Labor and Delivery

Pediatric Diagnostic Services

Pediatric Hearing Aides



References

PRC Regulation:

- Code of Federal Regulations (CFR)
 - Title 42, Volume 1, Subchapter M – Indian Health Service
 - Part 136 – Indian Health, **Subpart C – Contract Health Services.** (PRC)
- Indian Health Manual
 - Part 2 – Services to Indians and Others
 - **Chapter 3 – Purchased/Referred Care.** <https://www.ihs.gov/ihm/pc/part-2/chapter-3-purchased-referred-care/>

IHS Circular 91-07, CHS Fund Control Policy & IHS Circular 95-19, Administrative Control of Funds Policy.

Indian Health Care Improvement Act

PRC information on IHS website at <https://www.ihs.gov/prc/>



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