

2023 Indian Health Service Partnership Conference

Purchased / Referred Care Appeal Process

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Basic Purchased / Referred Care Eligibility

A patient must meet specific criteria to be eligible for Purchased/Referred Care (PRC). Individuals must be eligible for direct care as defined in regulations (42 C.F.R. § 136.12) and also:

- 1) reside within the U.S. on a Federally recognized Indian reservation; or
- 2) reside within a PRC Delivery Area (PRCDA)

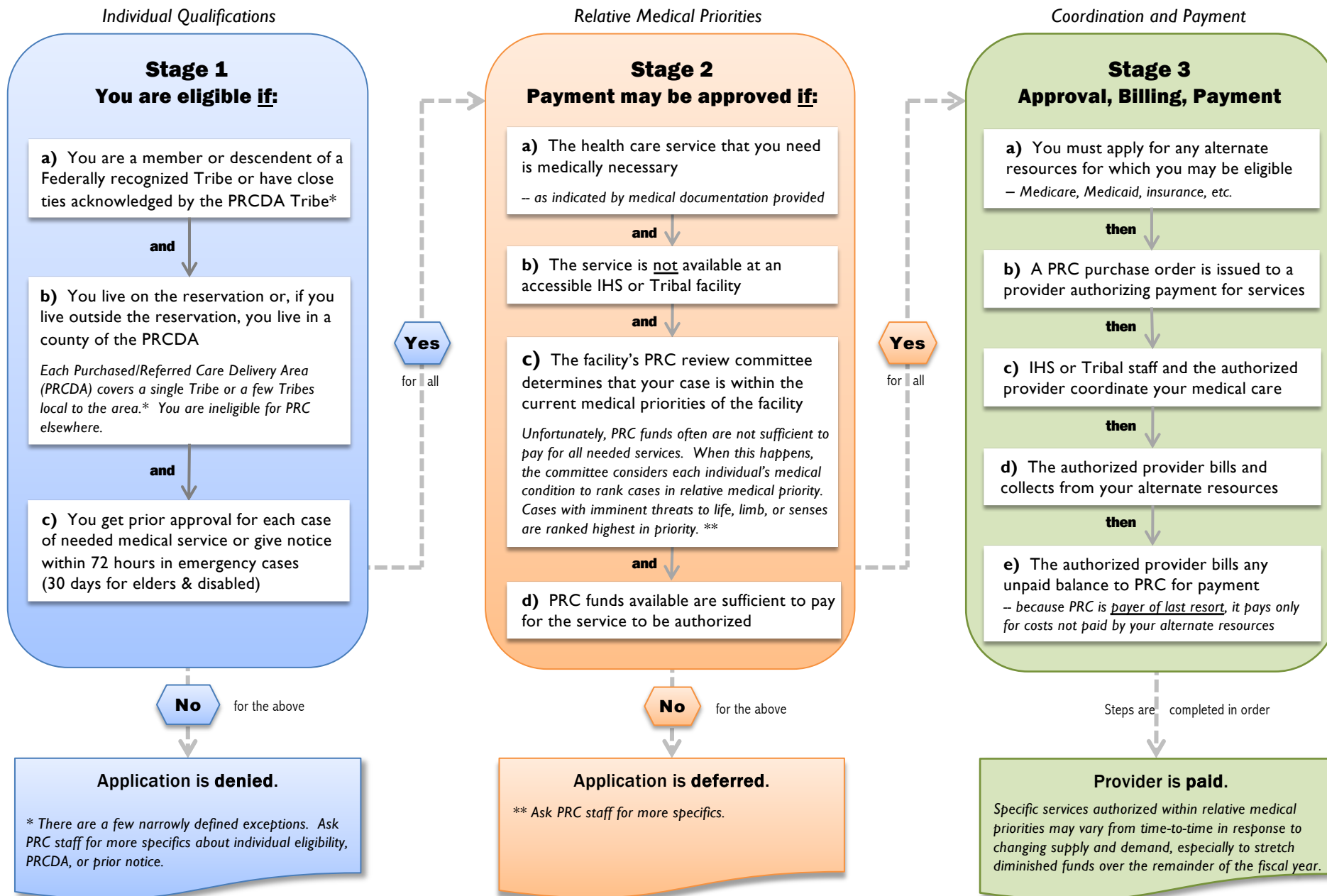
and

- a) be a member of the Tribe or Tribes located on that reservation; or
- b) maintain close economic and social ties with that Tribe or Tribes.

If a patient does not meet these requirements, PRC is denied.



Can PRC pay for your referral medical care? Find out in 3 stages.



PRC Denial Reasons

- Must be a member of a federally recognized tribe or descendent of a federally recognized tribe. CIB or other types of enrollment document.
- If the care was reasonably accessible or available at an IHS or Tribal facility (42 C.F.R. 136.23(a)).
- Care must be within established medical priorities – when health care needs exceed the PRC funds available, regulations permit the establishment of priorities based on medical need (42 C.F.R 136.23(e)).
- Payor of Last Resort – IHS is the Payor of Last Resort for services provided to patients defined eligible for PRC, regardless of any State or local law or regulation to the contrary (42 C.F.R 136.61).
 - Patient is required to apply for alternate resources if they are reasonably eligible.



PRC Denial Reasons – Cont.

- IHS must be notified prior to and receive prior authorization for non-emergency referrals, and/or
- IHS must be notified within 72 hours of the care for emergency situations.
- A person must reside on his/her tribe's reservation or live on a federally recognized tribe's reservation. If he/she lives in a county bordering a federally recognized tribe's reservation; he/she must meet social/economic ties to that tribe.
- Untimely appeals – all request for appeals must received within 30 days of receipt of the prior level denial.



Appeal Process

There are three levels in the appeal process:

- 1st Level – IHS CEO
- 2nd Level – IHS Area Director
- 3rd Level – Director of IHS



PRC Denials and Appeals

When PRC services are denied, the patient and the healthcare provider must be notified in writing. The denial notice must:

1. State all the denial reasons.
2. Inform the patient or provider that within 30 days from receipt of the notice he/she may:
 - a. Obtain reconsideration by the Chief Executive Officer (CEO) if the request is in writing, sets forth the grounds for reconsideration and includes additional information not previously submitted; or
 - b. Appeal the denial to the IHS Area Director, if there is no additional information to consider. The appeal to the Area Director must be in writing and set forth the ground supporting the appeals.



PRC Appeals

If the CEO affirms the denial upon reconsideration, the applicant must be notified in writing. The response must advise that an appeal:

1. May be submitted to the Area Director within 30 days of receipt, and
2. Must set forth the ground supporting the appeal.

If the Area Director affirms the denial, the applicant must be notified in writing. The response must advise that an appeal:

1. May be submitted to the IHS Director within 30 days of receipt, and
2. Must set forth the ground supporting the appeal.

The decision of the IHS Director constitutes the final administrative action on all appeals.



Appeal Files

CEOs are responsible for maintaining a file for each PRC appeal case.

Area Directors are responsible for establishing individual patient appeal files and forwarding information to the Division of Contract Care (DCC) upon request.

DCC will maintain appeal files that contain:

- All PRC denial letters
- All appeal letters from the patient and/or provider
- Medical reviews and medical records
- Any supporting documentation including bills, receipts, maps, telephone records

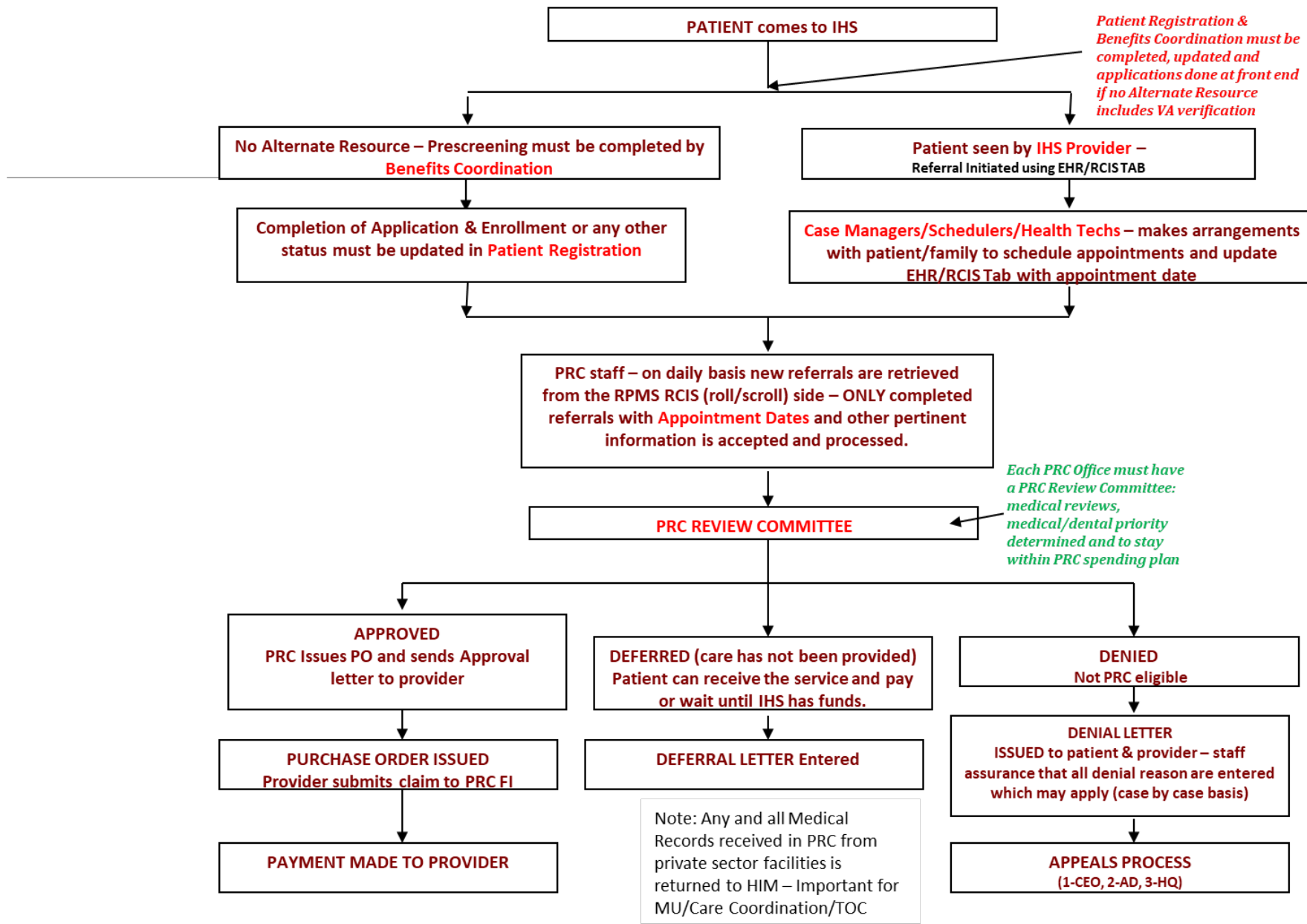
All appeal records should be maintained for 6 years and 3 months after the appeals process has been exhausted.

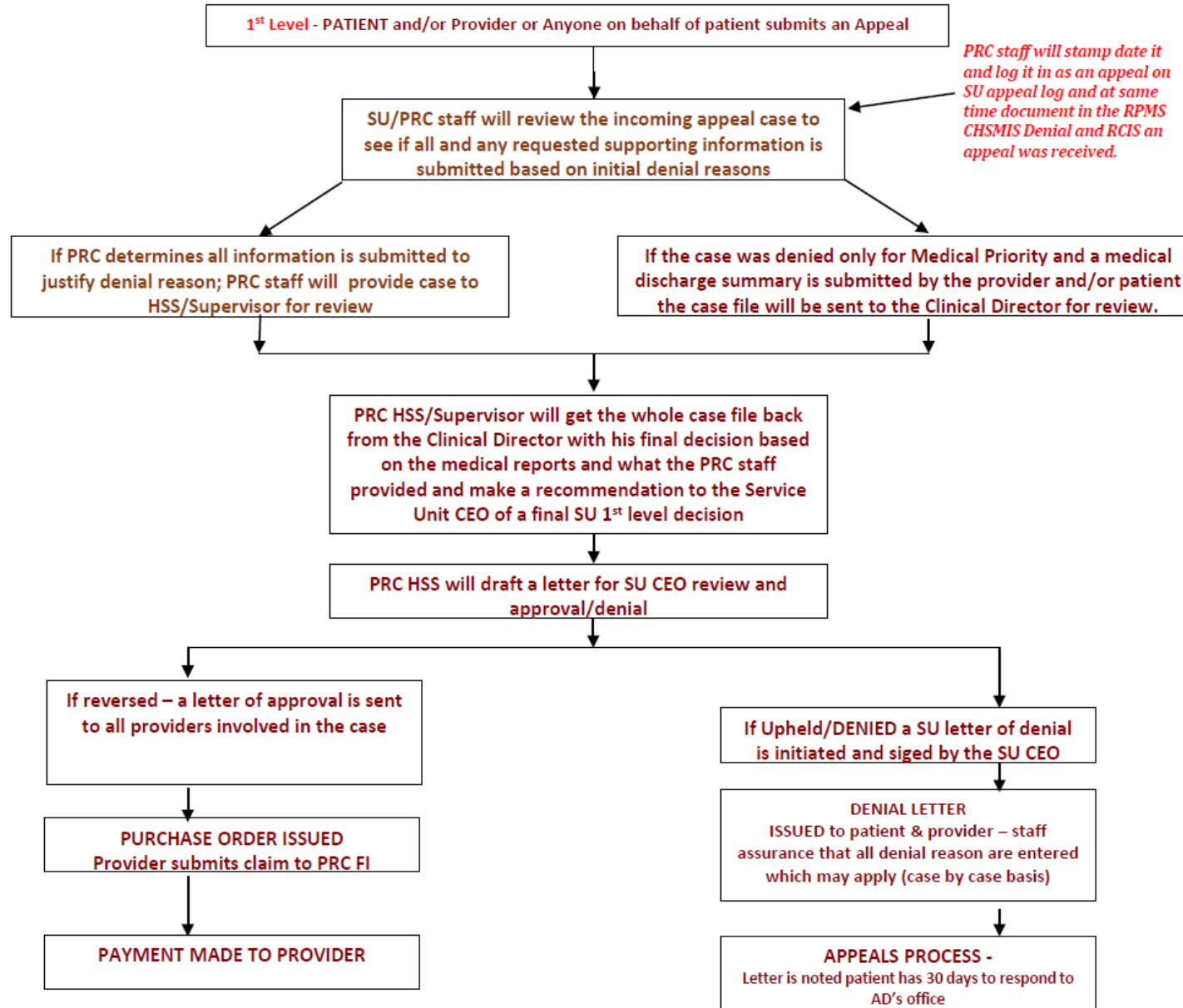


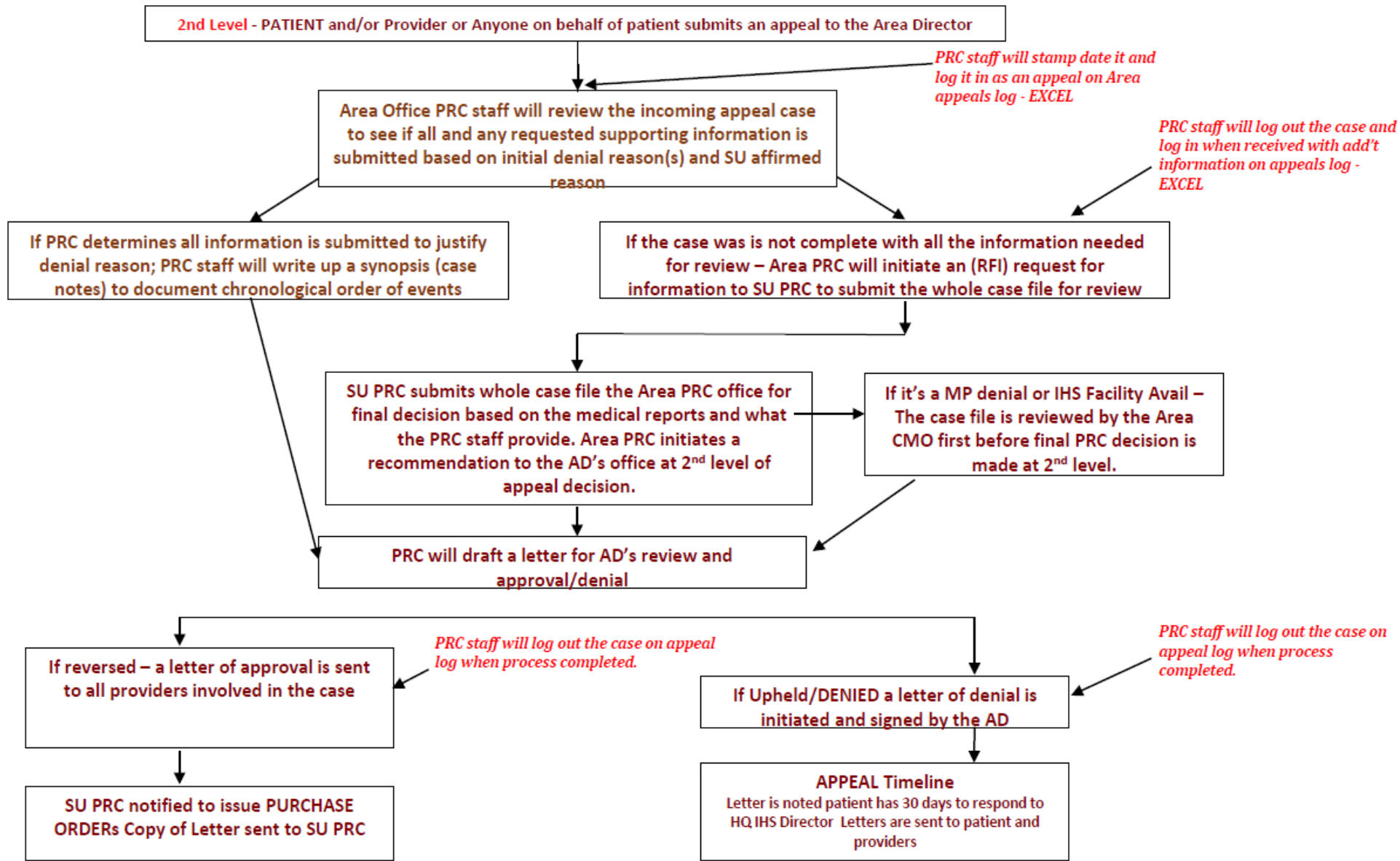
PRC Appeal Process – Navajo Area

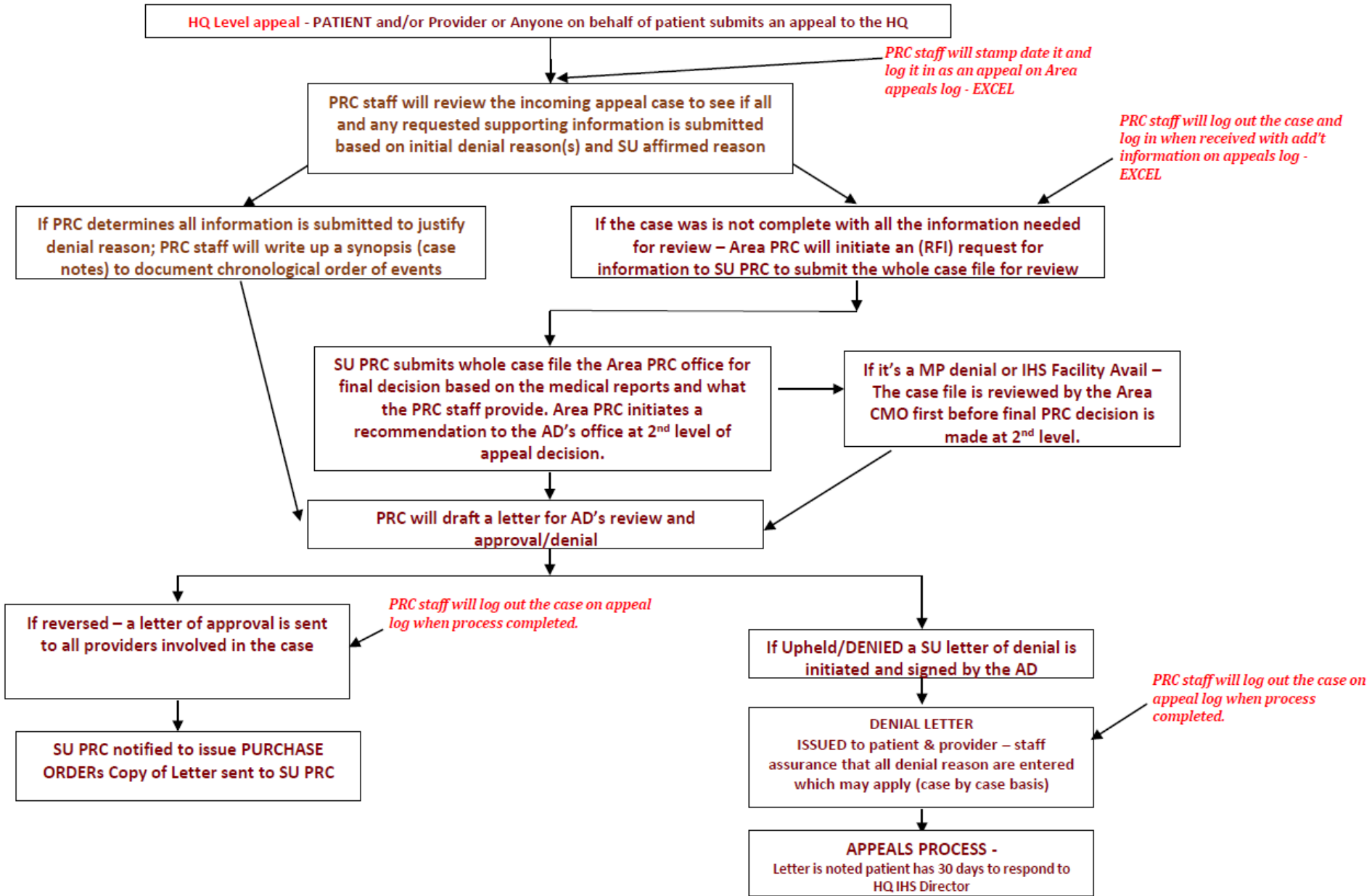
Navajo Area Indian Health Service
(PRC) Denial and Appeals Flow –
Applicable to Federal Sites &
Winslow (WIHCC)
1st, 2nd and 3rd Level Flow











HQ Level appeal con't - PATIENT and/or Provider or Anyone on behalf of patient submits an appeal to the HQ and send an (RFI) request for information to the Area PRC through SDT secured email.

PRC staff will review the incoming appeal case to see if all and any requested supporting information is submitted based on initial denial reason(s) and SU affirmed reason

PRC staff will stamp date it and log it in as an appeal on Area appeals log - EXCEL

If the case was completed with Area AD's affirmed letter and/or reversal letter

The appeal case file from the Area PRC office is copied and sent to HQ PRC through (SDT) secured email.

PRC staff will log out the case on appeal log when case file is sent out to HQ PRC - EXCEL

HQ PRC reviews the SU/Area appeals at this time.

If reversed by the Area Office – HQ files for reference.

Area PRC staff will log out the case on appeal log when process completed.

If Upheld/DENIED the letter of denial is received at the Area PRC and SU is notified of HQ decision

PRC staff will log out the case on appeal log when process completed.

DENIAL LETTER
HQ decision is final and copies of all letters are sent by HQ to the provider and patient



Please contact the facility who initially denied your referred care/notification within the (30) day appeal timeline indicated on the denial letter you may have received or contact:

Navajo Area Indian Health Service

Purchased/Referred Care

928-871-5895 or 5894

Marie.Begay@ihs.gov

Lionel.Dawes@ihs.gov



Best Practices

- Be knowledgeable about the denials and appeal processes.
- Knowing your role and responsibility; how you can assist patients/families and providers through the appeals process.
- Maintain updated and accurate patient demographic and third party information.
- Enhance knowledge and interpretation about PRC regulations, guidance and protocols.
- Keep organized files.



Ways to Improve

- Include all relevant denial reasons in the PRC denial letter.
- Do not add additional denial reasons in the first and second level responses.
- Promptly respond to all appeals.
- Recommend all appeals are taken care of at the lowest level possible, i.e., Service Unit.
- Do not make any commitments to patients or providers regarding an appeal decision.



Pop Quiz

1. How are individuals informed about a denial for PRC services?

- a) Phone call
- b) Home visit
- c) Written notification

2. What is the timeline to appeal a PRC denial at the Area level?

- a) 15 days from the receipt of the denial
- b) 20 days from the receipt of the denial
- c) 25 days from the receipt of the denial
- d) 30 days from the receipt of the denial



Pop Quiz

3. Tribes must follow the IHS medical priorities and appeals process.

- a) True
- b) False

4. It's okay to include additional denial reasons throughout the appeals process.

- a) True
- b) False



Tribally Managed PRC Programs

Self-Determination (Title I) Tribes and Self-Governance (Title V) Tribes may negotiate the appeals adjudication function into their funding agreements so that IHS staff process their PRC appeals. When this occurs, the following conditions apply:

1. The Area Director and IHS Director will follow IHS regulations but will adopt tribal standards to determine close economic and social ties, medical priority and high cost case management.
2. Tribes will provide necessary documentation required for claims adjudication.
3. The IHS conducts the appeals process for Tribes without assuming any fiscal responsibility.



Tribally Managed PRC Programs – Cont.

Self-Determination and Self-Governance Tribes must make eligibility determinations in accordance with IHS eligibility regulations. However there are provisions of the regulations that allow different standards to be set. Tribes may:

1. Set different standards for close economic and social ties;
2. Adopt medical priorities that better meet their needs; and
3. Develop their own appeals adjudication process.



Resources

- PRC Website: <https://www.ihs.gov/prc/>
- Indian Health Manual, Part 2 Services to Indians and Others, Chapter 3 PRC: <https://www.ihs.gov/ihm/pc/part-2/chapter-3-purchased-referred-care/>
- PRC Regulations, 42 CFR 136:
 - Subpart C: Contract Health Services
 - Subpart D: Limitations on Charges for Services Furnished by Medicare-Participating Hospitals to Indians
 - Subpart I: Limitations on Charges for Health Care Professional Services and Non-Hospital-Based Care



Questions



Contact Information



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