

907 KAR 1:190. Payments for freestanding birth center services.

RELATES TO: KRS 205.520

STATUTORY AUTHORITY: KRS 194.030(2), 194A.050(1), 205.520(3), 42 C.F.R. 447.325, 42 U.S.C. 1396a, b, d

NECESSITY, FUNCTION, AND CONFORMITY: The Cabinet for Health and Family Services has responsibility to administer the program of Medical Assistance. KRS 205.520(3) empowers the cabinet, by administrative regulation, to comply with any requirement that may be imposed, or opportunity presented, by federal law for the provision of medical assistance to Kentucky's indigent citizenry. This administrative regulation establishes the Department for Medicaid Services' reimbursement provisions and requirements for freestanding birth center services provided to Medicaid recipients who are not enrolled with a managed care organization.

Section 1. Definitions. (1) "Advanced practice registered nurse" is defined by KRS 314.011(7).

(2) "Department" means the Department for Medicaid Services or its designee.

(3) "Enrollee" means a recipient who is enrolled with a managed care organization.

(4) "Freestanding birth center" means a:

(a) Freestanding birth center as defined by 42 U.S.C. 1396d(l)(3)(B); and

(b) Facility that is:

1. Licensed as an alternative birth center in accordance with 902 KAR 20:150; and

2. Accredited by the Commission for the Accreditation of Birth Centers.

(5) "Freestanding birth center services" is defined by 42 U.S.C. 1396d(28) and 42 U.S.C. 1396d(l)(3)(A).

(6) "Managed care organization" means an entity for which the Department for Medicaid Services has contracted to serve as a managed care organization as defined in 42 C.F.R. 438.2.

(7) "Participating freestanding birth center" means a freestanding birth center that is:

(a) Currently enrolled in the Medicaid program pursuant to 907 KAR 1:672;

(b) Currently participating in the Medicaid program pursuant to 907 KAR 1:671;

(c) Licensed in accordance with 902 KAR 20:150; and

(d) Authorized to provide the service in accordance with 907 KAR 1:180.

(8) "Provider" is defined by KRS 205.8451(7).

(9) "Recipient" is defined by KRS 205.8451(9).

(10) "Registered nurse" is defined by KRS 314.011(5).

(11) "Rendering provider" means a provider who:

(a) Provides a service for which reimbursement is:

1. Made to the provider; and

2. Not made to a freestanding birth center; and

(b) Is:

1. A physician who provides a service associated with a freestanding birth center;

2. A physician assistant who provides a service associated with a freestanding birth center;

3. An advanced practice registered nurse who provides a service associated with a freestanding birth center; or

4. A registered nurse who provides a service associated with a freestanding birth center.

Section 2. General Requirements. For the department to reimburse for a freestanding birth center service, the service shall meet the requirements established in 907 KAR 1:180, Section 2.

Section 3. Reimbursement. (1)(a) The department shall reimburse a professional fee to a rendering provider for a prenatal visit, a standby service, or a postnatal visit at the lesser of:

1. The rendering provider's usual and customary charge for the service;
 2. The reimbursement for the service pursuant to 907 KAR 3:010 if the rendering provider is a physician; or
 3. Seventy-five (75) percent of the reimbursement for the service pursuant to 907 KAR 3:010 if the rendering provider is:
 - a. An advanced practice registered nurse;
 - b. A physician assistant; or
 - c. A registered nurse.
- (b) The department shall:
1. Reimburse for no more than two (2) postnatal visits per recipient; and
 2. Not reimburse for a postnatal visit that occurs after six (6) weeks have lapsed since the delivery.

(c) The department's reimbursement of a professional fee to a rendering provider referenced in this subsection shall be separate from and in addition to the reimbursement referenced in subsection (2) of this section.

(2)(a) The department shall reimburse a freestanding birth center:

1. Twenty-five (25) dollars for referring a recipient to an inpatient hospital for delivery services if the freestanding birth center determined before providing delivery-related services that the recipient's delivery was complicated and needed to be handled in an inpatient hospital;
2. \$156 for:
 - a. Providing delivery-related services to a recipient; and
 - b. Determining, after providing delivery-related services to a recipient, that the recipient's delivery was complicated and needed to be handled in an inpatient hospital; or
3. \$1,557 for services related to a complete delivery that occurred at the freestanding birth center.

(b) The department's reimbursement to a freestanding birth center referenced in this subsection shall be separate from and in addition to the reimbursement referenced in subsection (1) of this section.

(3)(a) The department's reimbursement shall be considered payment in full for all services, supplies, and devices provided to a recipient.

(b)1. A freestanding birth center shall not bill a recipient or party other than the department for a service provided to the recipient if the service was covered by the department.

2. A rendering provider shall not bill a recipient or party other than the department for a service provided to the recipient if the service was covered by the department.

(4)(a) A managed care organization's reimbursement shall be considered payment in full for all services, supplies, and devices provided to an enrollee.

(b)1. A freestanding birth center shall not bill an enrollee or party other than the enrollee's managed care organization for a service provided to the enrollee if the service was covered by the managed care organization.

2. A rendering provider shall not bill an enrollee or party other than the managed care organization for a service provided to the enrollee if the service was covered by the managed care organization.

Section 4. Not Applicable to Managed Care Organizations. (1) A managed care organization may elect to reimburse in accordance with this administrative regulation for a service or item covered pursuant to 907 KAR 1:180 and this administrative regulation.

(2) A managed care organization shall not be required to reimburse the same amount as established in this administrative regulation for a service or item covered pursuant to 907 KAR 1:180 and this administrative regulation.

Section 5. Federal Financial Participation. A provision or requirement established in this administrative regulation shall be null and void if the Centers for Medicare and Medicaid Services:

- (1) Denies federal financial participation for the provision or requirement; or
- (2) Disapproves the provision or requirement. (9 Ky.R. 1273; 10 Ky.R. 339; eff. 10-5-1983; 11 Ky.R. 1003; eff. 1-7-1985; Recodified from 904 KAR 1:190, 5-2-1986; 18 Ky.R. 1643; 2346; eff. 2-7-92; 40 Ky.R. 720; 1309; 1403; eff. 2-3-2014; Crt eff. 12-6-2019; TAm eff. 3-20-2020.)