

**911 KAR 1:020. Billing and fees.**

RELATES TO: KRS 194A.030(5), 200.470(2)

STATUTORY AUTHORITY: KRS 194A.030(5)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 194A.030(5) authorizes the Office for Children with Special Health Care Needs to promulgate administrative regulations to implement and administer its responsibilities. This administrative regulation establishes minimum monthly payments for cost of treatment and care, commensurate with ability to pay, procedures for the preparation and transmittal of patient statement of accounts, receipt of payments, clinic participation fees, services provided by contracted providers, authorizations of payment, procedures for failure to provide payments, provisions for discharge, criteria for reapplication, as well as a process for reconsideration of an adverse decision.

**Section 1. Definitions.**

- (1) "Eligibility Committee" or "committee" means an OCSHCN committee that is charged with:
  - (a) Clarifying financial eligibility questions that arise during:
    1. The application review process; and
    2. Ongoing eligibility reviews;
  - (b) Evaluating appeal requests for reconsideration pursuant to Section 13 of this administrative regulation;
  - (c) Clarifying medical eligibility questions that arise during the application review process; and
  - (d) Determining if a diagnosis qualifies for inclusion in the clinical program.
- (2) "OCSHCN" means the Office for Children with Special Health Care Needs.
- (3) "OCSHCN medical staff" means the staff who meets the requirements established in 911 KAR 1:060.

**Section 2. Minimum Monthly Payment.**

- (1) A patient's minimum monthly payment shall be computed as the lesser of:
  - (a) The amount assigned as the minimum amount due, for the patient's pay category, determined in accordance with 911 KAR 1:010, Section 10; or
  - (b) The total current balance of the patient's account, including all amounts paid or incurred during the past thirty (30) calendar days, as established in the table in this paragraph.

Pay Category	Minimum Monthly Payment
0%	\$20.00
20%	\$40.00
40%	\$80.00
60%	\$120.00
80%	\$160.00
100%	\$200.00

- (2) An individual shall also pay any unpaid portion of a previously billed amount.

**Section 3. Patient Statement of Account.** Designated staff shall prepare a statement of account, which shall:

- (1) Be mailed to the family on or around the twentieth day of each calendar month; and
- (2) Include the:
  - (a) Total account balance;

- (b) Amount past due calculated in accordance with Section 2 of this administrative regulation;
- (c) Required minimum monthly payment;
- (d) Amounts paid or incurred during the past thirty (30) calendar days; and
- (e) Contact information for any questions concerning billed amounts.

Section 4. Receipt of Payments. A family shall make payments to OCSHCN:

- (1) Via mail;
- (2) In person at any OCSHCN regional office; or
- (3) By telephone using a credit card.

Section 5. OCSHCN Clinic Participation Fees.

- (1) A patient shall be charged a program participation fee when services are provided at an OCSHCN-managed clinic by:
  - (a) OCSHCN staff; or
  - (b) OCSHCN medical staff.
- (2) The OCSHCN clinic participation fee shall be determined as established in the table in this subsection.

Pay Category	Participation Fee
0%	\$5.00
20%	\$5.00
40%	\$10.00
60%	\$10.00
80%	\$15.00
100%	\$15.00

- (3) The OCSHCN clinic participation fee shall not be charged if the patient is enrolled in Kentucky Medicaid when service is provided.
- (4) Only one (1) OCSHCN clinic participation fee shall be charged per day per person receiving services.

Section 6. OCSHCN Referral for Services Provided by Contracted Providers.

- (1) If services are provided to a patient by an OCSHCN-contracted provider outside of an OCSHCN-managed clinic, the patient shall be responsible for payment for services, in accordance with the terms and conditions contained in the contractual agreement entered into by OCSHCN and the contracted provider.
- (2) Prior to the delivery of services, designated staff shall:
  - (a) Ensure that the contracted provider is a participant under the patient's insurance plan;
  - (b) Issue a written referral for services to the contracted provider to identify that the patient is enrolled in an OCSHCN clinical program; and
  - (c) Provide demographic and insurance information to the contracted provider.
- (3) A patient shall contact the contracted provider prior to the delivery of services in order to:
  - (a) Identify that the patient is enrolled in the OCSHCN clinical program; and
  - (b) Discuss payment expectations.
- (4) A patient may contact the OCSHCN Payments and Provider Relations branch to confirm that the contracted provider is billing the contracted rate after any insurance payments are applied.

Section 7. Authorization of Payment for External Services.

(1) OCSHCN shall issue an authorization of payment for outpatient services to an OCSHCN-contracted provider for a patient who:

(a) Has no insurance coverage;

(b)

1. Has private insurance; and
2. Is in the zero percentage pay category; or

(c)

1. Has private insurance;
2. Is in the twenty (20) percent through 100 percent pay category; and
3. Needs services or benefits that are not covered (excluding co-pays).

(2) Prior to submitting a bill to OCSHCN, the OCSHCN-contracted provider shall bill any third-party insurance payors.

(3) After OCSHCN has paid the contracted provider, OCSHCN shall bill the patient for the portion of the cost as established in the table in this subsection.

Pay Category	Amount Owed
0%	\$0.00
20%	20% of amount paid by OCSHCN
40%	40% of amount paid by OCSHCN
60%	60% of amount paid by OCSHCN
80%	80% of amount paid by OCSHCN
100%	100% of amount paid by OCSHCN

(4) A patient with insurance coverage in twenty (20) percent through 100 percent pay category status shall be responsible for the payment of any copays or co-insurance for outpatient or inpatient services with an OCSHCN contracted provider.

(5) OCSHCN shall authorize payments for recommended or prescribed durable medical equipment and shall bill the patient for the portion of the cost as established in the table in this subsection.

Pay Category	Amount Owed
0%	\$0.00
20%	20% of amount paid by OCSHCN
40%	40% of amount paid by OCSHCN
60%	60% of amount paid by OCSHCN
80%	80% of amount paid by OCSHCN
100%	100% of amount paid by OCSHCN

(6) OCSHCN shall authorize payment for recommended or prescribed hearing aids, earmolds, or dispensing and fitting fees, and shall bill the patient for the portion of the cost as established in the table in this subsection.

Pay Category	Amount Owed
0%	\$0.00, unless patient is covered by Medicaid and hearing instruments have been provided within the past thirty-six (36) months, in which case the Medicaid contract rate shall apply
20%	20% of amount paid by OCSHCN

40%	40% of amount paid by OCSHCN
60%	60% of amount paid by OCSHCN
80%	80% of amount paid by OCSHCN
100%	100% of amount paid by OCSHCN

(7) OCSHCN shall authorize payment for orthodontia or dental services provided by a Medicaid-contracted provider or an in-network provider, and shall bill a patient for the portion of the cost as established in the table in this subsection.

Pay Category	Amount Owed
0%	\$0.00
20%	20% of amount paid by OCSHCN
40%	40% of amount paid by OCSHCN
60%	60% of amount paid by OCSHCN
80%	80% of amount paid by OCSHCN
100%	100% of amount paid by OCSHCN

(8) If OCSHCN authorizes payments for prescription drugs for a patient, the patient responsibility shall be:

- (a) No charge for the family of a patient in the zero percent pay category;
- (b) 100 percent of what OCSHCN pays the provider, for a patient in the twenty (20) percent to 100 percent pay category with private insurance under which the drug is a non-covered benefit;
- (c) Payment to the provider for a patient in the twenty (20) percent to 100 percent pay category with private insurance under which the drug is a covered benefit; and
- (d) As established in the table in this paragraph for an uninsured patient in the twenty (20) percent to 100 percent pay category.

Pay Category	Amount Owed
20%	100% of amount paid by OCSHCN, not to exceed \$20.00 per month
40%	100% of amount paid by OCSHCN, not to exceed \$40.00 per month
60%	100% of amount paid by OCSHCN, not to exceed \$60.00 per month
80%	100% of amount paid by OCSHCN, not to exceed \$80.00 per month
100%	100% of amount paid by OCSHCN, not to exceed \$100.00 per month

(9) The schedule for making payment to OCSHCN on an account shall be as established in the table in this subsection.

Pay Category	Payment Due on Balance Owed
0%	\$20.00 per month, or account balance if balance is less than \$20.00

20%	\$40.00 per month, or account balance if balance is less than \$40.00
40%	\$80.00 per month, or account balance if balance is less than \$80.00
60%	\$120.00 per month, or account balance if balance is less than \$120.00
80%	\$160.00 per month, or account balance if balance is less than \$160.00
100%	\$200.00 per month, or account balance if balance is less than \$200.00

#### Section 8. Failure to Provide Payments.

(1) If the minimum required payment, calculated in accordance with Section 2 of this administrative regulation, is not received within thirty (30) days following the first billing to the family, OCSHCN shall:

(a) Mail a second statement of account, pursuant to Section 3 of this administrative regulation; and

(b) Request that the assigned OCSHCN care coordinator contact the family to follow up with the family.

(2) If the minimum required payment, calculated in accordance with Section 2 of this administrative regulation, is not received within sixty (60) days following the first billing to the family:

(a) The account shall not be considered in good standing; and

(b) OCSHCN shall:

1. Mail a third statement of account, pursuant to Section 3 of this administrative regulation, indicating that the patient is subject to discharge from the OCSHCN program if all required payments are not received within thirty (30) days from the date of the letter; and

2. Discontinue eligibility for:

a. Services that require an authorization of payment for external services, in accordance with Section 7 of this administrative regulation;

b. Assistance with lodging;

c. Meal reimbursement; and

d. Assistance with transportation.

(3) If the minimum required payment calculated in accordance with Section 2 of this administrative regulation is not received within 120 days following the first billing to the family, OCSHCN shall:

(a) Discharge the patient from the OCSHCN program;

(b) Mail the family a letter, which states that:

1. The patient has been discharged for failure to make required payments; and

2. Reapplication may be made, but readmission to the program is contingent upon the payment of any write-off for bad debt balances for services previously delivered to the patient, based on the patient's pay category determined in accordance with 911 KAR 1:010, Section 10;

(c) Rescind any outstanding authorizations to the patient's:

1. Medical providers; and

2. Pharmacy providers; and

(d) Write off the balance of the account, adjusting the balance to reflect a zero dollar balance.

Section 9. Reapplication. OCSHCN shall allow no more than three (3) reapplications if the discharge reasons include failure to:

- (1) Complete financial update pursuant to 911 KAR 1:010, Section 12;
- (2) Cooperate with medical care;
- (3) Make payments based on the patient's pay category; or
- (4) Reimburse OCSHCN when insurance payments are received.

Section 10. Request for Reconsideration.

- (1) An individual who is aggrieved may request a reconsideration of:
  - (a) Discharge due to non-payment of an account balance pursuant to Section 8 of this administrative regulation; or
  - (b) Dismissal of a reapplication due to reaching the maximum number of reapplications pursuant to Section 9 of this administrative regulation.
- (2) An individual requesting reconsideration shall complete the OCSHCN-20a, Request for Reconsideration of Discharge. The request for reconsideration shall:
  - (a) Be received by OCSHCN within ten (10) business days of the date the individual received notification of discharge or dismissal in accordance with subsection (1) of this section; and
  - (b) Contain the:
    1. Name of the individual or legal guardian;
    2. Address;
    3. Telephone;
    4. E-mail address, if available;
    5. Justification for reconsideration;
    6. Following supporting documentation, if available:
      - a. Bank statements;
      - b. Provider statements; or
      - c. Original receipts showing the amount paid; and
    7. Dated signature of individual or legal guardian.
- (3) OCSHCN review of the completed form and supporting documentation shall be completed:
  - (a) Within ten (10) business days; and
  - (b) By the eligibility committee.
- (4) OCSHCN's review shall include consideration of:
  - (a) If a change in circumstances exists, including a change in:
    1. The amount of earned income;
    2. Job status; or
    3. Excessive out of pocket expenses made throughout the calendar year for medical expenses, including:
      - a. Co-payments;
      - b. Required deductions for insurance;
      - c. Fees;
      - d. Prescription costs; or
      - e. Any other direct costs to the individual or legal guardian for medical expenses;and
  - (b) The severity of the condition and the need to keep the patient enrolled for services due to:
    1. Limitation in access to care; or
    2. Costs related to medication needed to treat the patient.
- (5) The eligibility committee shall vote to approve or deny the request for reconsideration.
- (6) If additional information is requested:

- (a) The committee shall request the information within five (5) business days of the review date;
  - (b) The individual or legal guardian shall return the information to the committee within thirty (30) days; and
  - (c) OCSHCN shall approve or deny the request for reconsideration within five (5) business days.
- (7) OCSHCN shall communicate to the individual or legal guardian:
- (a) If the reconsideration request was approved or denied; and
  - (b) A brief justification of the approval or denial.
- (8) An individual who has received a notice of adverse action following a reconsideration may request an administrative hearing in accordance with KRS Chapter 13B. The request for an administrative hearing shall be received by OCSHCN within thirty (30) days of the notice of adverse action.

Section 11. Incorporation by Reference.

- (1) OCSHCN-20a, "Request for Reconsideration of Discharge", 01/2019, is incorporated by reference.
  - (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Office for Children with Special Health Care Needs, 310 Whittington Parkway, Suite 200, Louisville, Kentucky 40222, Monday through Friday, 8 a.m. to 4:30 p.m. or online at the agency's Web site at <https://chfs.ky.gov/agencies/ccshcn>.
- (45 Ky.R. 2819, 3430; eff. 7-19-2019.)