



Dear Hospital Administrator:

Health Alliance Connect applies the prudent layperson standard permissible under state and federal law for determining coverage of Emergency Department (ED) services. The prudent layperson utilization management policy applies to all Health Alliance Connect Medicaid plans except the Medicare-Medicaid Alignment Initiative (MMAI) plan.

Under this policy, certain diagnoses based on ICD-9/ICD-10 Codes will be deemed emergent, and claims with these codes will be automatically processed. ED claims with other diagnoses will be pended for review to determine whether the prudent layperson standard (defined in state and federal law) has been met. The claim will not be considered a clean claim without the appropriate medical records to view for emergent visits. This means if a (non-MMAI) Health Alliance Connect member receives care in an ED for services determined by the prudent layperson standard to be non-emergent, effective for dates of service on or after October 1, 2015, Health Alliance will disallow payment for the facility and physicians in the ED. The Medicaid member will not be responsible for and cannot be balance billed for the denied charges.

A vital part of reducing inappropriate utilization in the ED is encouraging Medicaid members to see their primary care physicians (PCPs) to establish a medical home. If you treat Health Alliance Connect members in your emergency department for something that could be managed in an office setting, please ask them to contact Health Alliance Connect at 1-877-633-2526, so we can educate the members and help schedule appointment(s) with their PCPs.

This policy will be evaluated on an ongoing basis. If you have questions, please call your Health Alliance provider relation specialists at 1-800-851-3379, extension 4668.

Sincerely,
Maxine Wallner

Maxine Wallner
Director – Provider Operations