



## AMERIHEALTH CARITAS NORTH CAROLINA

### POLICY AND PROCEDURE

**Supersedes:** N/A

**Policy No.:** [REDACTED]

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**Subject:** Good Faith Provider Contracting

**Department:** Provider Network Management

**Current Effective Date:** 12/01/2022

**Last Review Date:** 7/25/2023

**Original Effective Date:** 05/03/2019

**Next Review Date:** 7/25/2024

**Review Cycle:** Annual

**Stakeholder(s):** Legal Affairs, Medical Economics, Financial/Actuarial Services

**Applicable Party(ies):** Provider Network Management, Credentialing, Financial/Actuarial Services

**Line(s) of Business:** AmeriHealth Caritas North Carolina

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#### Policy:

AmeriHealth Caritas North Carolina (ACNC) will manage its provider network to meet availability, accessibility, and quality goals and requirements. In developing its network, ACNC will negotiate in good faith with any qualified willing provider, who is participating in the North Carolina Medicaid program, regardless of provider or affiliation with another Prepaid Health Plan (PHP). A good faith effort is made to contract all qualified providers credentialed by the North Carolina Department of Health and Human Services (NCDHHS) at Medicaid allowable rates.

ACNC will maintain a strong monitoring program to help ensure that providers are meeting member needs and ACNC requirements; that all contracting efforts conform to NCDHHS requirements; and that the contracted/covered services to be provided to members are considered, as well as the provider's ability to be credentialed by NCDHHS.

ACNC does not deny or refuse participation in its network to any provider requesting to participate in its network on the basis of age, gender, race, creed, religion, skin color, handicap, sexual orientation, political affiliation or beliefs, or national origin. In addition, ACNC does not discriminate with respect to participation, as to any provider who is acting within the scope of the provider's license or certification under applicable state law, solely on the basis of such license or certification, in accordance with Section 1932(b) (7) of the Social Security Act (as enacted by section 4704(a) of the Balanced Budget Act of 1997). Further, ACNC does not discriminate against providers that serve high-risk populations or specialize in conditions that require costly treatments.

## **Purpose:**

To provide clear procedures to help ensure that ACNC is negotiating with any qualified willing provider in good faith, regardless of the provider, or the provider's affiliation with another PHP.

## **Definitions:**

**ACNC:** AmeriHealth Caritas North Carolina.

**North Carolina Session Law 2015-245** is an act to transform and reorganize North Carolina's Medicaid. This act establishes failure to meet Objective Quality Standards or refusal to accept network rates as the only acceptable reasons to decline to contract with providers.

**Provider:** The umbrella term used to refer to acute, primary care physicians, behavioral, substance abuse disorders, specialist, and allied health practitioners. As referred to in this policy document, a provider includes hospitals, ancillaries, facilities, entities, organizations, atypical organizations, and institutions where the facility would be contracted with instead of the individual provider.

## **Procedures:**

### **I. Good Faith Contracting**

The following are processes ACNC follows to help ensure a good faith effort is made to contract all qualified, willing Providers at Medicaid allowable rates, including but not limited to PCPs, specialists, hospitals, behavioral health providers, Indian Health Care Providers and out of network providers.

#### **A. Contracting Process**

1. ACNC will offer to contract with a provider using a NCDHHS-approved provider agreement in writing, via letter, email or fax. [REDACTED], the ACNC provider agreement will include the Required Standard Provisions for provider agreements. [REDACTED]
2. An ACNC Account Executive (AE) will follow up the initial outreach to the provider within 10 business days.
3. ACNC will not include exclusivity or non-compete provisions in contracts with providers, including nonmedical service providers (e.g. non-emergency medical transportation drivers), require a provider to participate in the governance of a provider-led entity (PLE), or otherwise prohibit a provider from providing services for or contracting with any other PHP.
4. ACNC will not require individual providers, as a condition of contracting with ACNC, to agree to participate or accept other ACNC products.
5. ACNC utilizes currently contracted providers in its Standard Plan Network as the basis for which provider recruitment into other products is initiated, via separate contracts when required and appropriate.
6. ACNC will not automatically enroll a provider in any other product offered by ACNC.

7. Negotiations to contract will continue until the parties agree on contract terms, or until one or more parties decide to not move forward. The contracting timeframe formally begins when ACNC presents a NCDHHS-approved provider agreement to the provider. If within thirty (30) calendar days of receiving the NCDHHS-approved provider agreement, the potential network provider rejects the agreement or fails to respond either verbally or in writing, ACNC considers the request for inclusion in its Medicaid managed care provider network rejected by the provider. If discussions are ongoing based on a response by the potential network provider to the proposed agreement, or the contract is under legal review, ACNC does not consider the request rejected. ACNC will cease negotiations when it has determined, per Section I.B. below, that despite a good faith provider contracting effort having been made, an agreement with the provider could not be reached.

#### **B. Contract Review Process**

1. To help ensure that ACNC is negotiating with any qualified willing provider in good faith, ACNC has established a contract review process to review a provider's request for nonstandard contract language, reimbursement rates and/or methodology. In reviewing requests for nonstandard language, rates and/or reimbursement, the contract review process can include:
  - a. Contract review and approval by Legal Counsel, Provider Network Management (PNM) Director, or the Market President regarding any variants of contract language or reimbursement rates, or alternative methodology being proposed
  - b. Summary of request and why it is being requested/value of arrangement
  - c. Market intel available as to how competitor plans are reimbursing providers for this type/specialty, as appropriate
  - d. Impact to network adequacy
  - e. Impact to membership
  - f. Financial impact
  - g. Operational impact
2. Recommendations are presented to executive leadership and a decision is reached and communicated to the Provider.

#### **C. Written Notice and Appeal Rights**

ACNC will give written notice to any provider with whom it declines to contract within five (5) business days after ACNC's final decision. The notice shall include the reason for ACNC's decision; the provider's right to appeal that decision or request to cure the issue identified in the adverse quality determination, and how to request an appeal in accordance with the provider appeal process set forth in ACNC's provider handbook.

#### **D. Payment to Providers**

With the exception of out of network emergency services, post-stabilization services and services provided during transitions in coverage, ACNC is prohibited from reimbursing an out of network provider more than ninety percent (90%) of the Medicaid Fee-for-Service rate if ACNC has made a good faith effort to contract with a provider, but the provider has refused that contract.

#### **E. Terminating Good Faith Contract**

ACNC will conclude that a good faith provider contracting effort has been made in contracting decisions if ACNC has considered all facts and circumstances surrounding a provider's willingness to contract and has determined that the provider has refused the plan's good faith contracting effort. For example, if a provider and ACNC cannot

agree to rates despite negotiations and ACNC has engaged the contract review process as set forth in Section I.C. below, ACNC will conclude that a good faith contracting effort has been made.

1. ACNC Provider Network Management will notify the Provider Data Management department to create a provider record in the claims payment system for the provider with whom good faith contracting efforts have failed, per Section I.B., and attach a ninety percent (90%) payment agreement to the provider's record.

## **II. Monitoring Mechanisms**

The PNM Director and PNM Managers are responsible for overseeing the activities of the Account Executives (AEs), including validating that the AEs comply with this policy and negotiate with any qualified and willing provider in accordance with the process set forth above.

- A. ACNC will maintain file of providers with whom we attempted but failed to contract by region.
  1. Provider Network Management will develop and maintain a file of providers by region who we failed to contract with, listing the following:
    - a. provider name and contact information
    - b. Account Executive (AE) assigned,
    - c. date of original outreach,
    - d. reason(s) for the lack of success,
    - e. outstanding issues,
    - f. date of most recent outreach and comments.
- B. On a quarterly basis, the PNM Director shall pull a random number of providers for whom each AE was not able to successfully contract with on behalf of the Plan, not to exceed 10 files.
  1. The PNM Director and/or the PNM Managers will review the file and determine if the steps outlined in Section I.A., and I.B., above, were followed. As part of their review, PNM Managers will assess if the AEs have documentation sufficient to demonstrate that they complied with the contracting process outlined in Section I.A., above.
  2. If the PNM Director and/or the PNM Managers identify an issue, he/she will work with the appropriate AE to further investigate the negotiation process for any provider at issue. PNM Director will provide issue resolution to provider.
  3. If a file review results in the identification of an issue with the contracting process, the AE will be retrained on the good faith contracting policy to reduce the probability of reoccurrence. Should the same AE be found to be out of compliance with the proper process on subsequent reports, they will be subject to corrective action.
- C. Monitoring for discriminatory practices occurs throughout the contracting processes. Tracking and identifying discrimination in contracting processes is done through annual audits of Provider complaints for evidence of alleged discrimination.

Related Policies:

[REDACTED]

Source Documents & References:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

Revisions

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
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[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

Approved by:

Electronic Signature on File

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