

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health Care Finance



DHCF Transmittal No. 09-01

Office of the Director

TO: All Physicians Enrolled in the District of Columbia Medicaid Program

FROM: Julie Hudman, Ph.D.
Acting Director
Department of Health Care Finance

DATE: February 2, 2009

SUBJECT: Delivery and reimbursement of physician services for Medicaid consumers living in a District Intermediate Care Facility for the Developmentally Disabled (ICFDD)

This transmittal supersedes Transmittal No. 08-22. The purpose of this transmittal is to further clarify delivery and reimbursement of physician services when the service is being provided by a physician serving as a Medical Director for an ICFDD. Based upon discussions with the community and the Department on Disability Services (DDS), the Department of Health Care Finance (DHCF) has identified situations where it is allowable for a Medical Director to refer an individual living in an ICFDD to an entity and the Medicaid fee-for-service program will pay for the physician claim. These instances were not discussed in the earlier Transmittal and bear clarification.

Transmittal No. 08-22 stated that a physician serving in the capacity of a Medical Director, as a salaried employee or under contract to an ICFDD, will not be reimbursed by the Medicaid fee-for-service program for primary care services provided to those individuals living in the ICFDD. That guidance remains in place. However, DHCF has identified exceptions to this guidance, which are detailed below:

1. **When the Primary Care Physician is not an employee or under contract with the ICFDD.**

When an ICFDD identifies a primary care physician and the physician is not a salaried employee or contractor of the ICFDD, the primary care physician may provide primary care services to the individual living in the ICFDD and may submit a claim for those services to the Medicaid fee-for-service program using his/her own Medicaid fee-for-service provider number. If the primary care physician identified above is an employee of a health care facility such as a clinic, the clinic may submit a claim for the services delivered by that provider.

2. **When the Medical Director is an employee or contractor of the ICFDD.**
When the Medical Director is a salaried employee or contractor of the ICFDD and is providing primary care services to consumers served by the ICFDD in the ICFDD or in his/her office, the Medicaid fee-for-service program will not reimburse the Medical Director for those services. The reimbursement for those services is included in the ICFDD per diem rate.

3. **When the Medical Director is an employee or contractor of the ICFDD and refers an individual living in the ICFDD to another facility (i.e. Clinic or FQHC) where the Medical Director is a salaried employee.**
A Medical Director, serving as a salaried employee or under contract with an ICFDD, may refer an individual living in the ICFDD to another health care facility, such as a clinic or FQHC where the Medical Director serves as a physician in a salaried employee position. The health care facility providing the service may bill the Medicaid fee-for-service program for the primary care services delivered if the health care facility is enrolled in the Medicaid fee-for-service program and bills the Medicaid fee-for-service program using the health care facility's provider number.

Regardless of the category of physician service, service quality and program oversight are two of DHCF's priorities. We must continue to focus on issues that have the potential of creating environments for fraud and abuse; and where they may occur, communicate this to our providers, consumers and advocates.

Lastly, please note that correct coding of claims must be adhered to in order to receive timely and accurate reimbursements by Medicaid. Inaccurate coding of claims, such as invalid diagnosis codes or invalid HCPCS or CPT coding, will result in a denial of your claim. All providers who have claims submission questions should contact the Provider Services Department at (202) 906-8319 (inside the DC metro area) or 1-866-752-9233 (outside the DC Metro area). Should you have any questions, please feel free to contact Diane Fields, DHCF Office of Policy at 202.724.4029 or e-mail diane.fields@dc.gov.