

## DEPARTMENT OF HEALTH CARE FINANCE

NOTICE OF PROPOSED RULEMAKING

The Director of the Department of Health Care Finance (DHCF), pursuant to the authority set forth in An Act to enable the District of Columbia (District) to receive federal financial assistance under Title XIX of the Social Security Act for a medical assistance program, and for other purposes approved December 27, 1967 (81 Stat.744; D.C. Official Code § 1-307.02 (2014 Repl. & 2016 Supp.)) and Section 6(6) of the Department of Health Care Finance Establishment Act of 2007, effective February 27, 2008 (D.C. Law 17-109; D.C. Official Code § 7-771.05(6) (2012 Repl.)), hereby gives notice of the intent to adopt a new Section 928 (Electronic Payments Initiative) to Chapter 9 (Medicaid Program) of Title 29 (Public Welfare) of the District of Columbia Municipal Regulations (DCMR).

This rule establishes guidelines for the enrollment of providers and suppliers serving District Medicaid beneficiaries in the Electronic Funds Transfer/Automated Clearing House (EFT/ACH) program.

Under 42 C.F.R. § 455.452, states can establish provider screening methods that are more stringent than the minimum requirements set forth in the federal regulations governing provider screening and enrollment. In accordance with this provision, DHCF is requiring its providers to participate in the EFT/ACH program, a federally regulated network for the processing of electronic payments, in order to become enrolled or continue to be enrolled as a D.C. Medicaid provider or supplier. Participation in the EFT/ACH program will facilitate faster access to Medicaid payments, ensure accurate delivery of payments to D.C. Medicaid providers and suppliers, eliminate reliance on the Postal Service, and decrease the possibility of lost paper checks. Furthermore, participation in the EFT/ACH program by Medicaid providers and suppliers will facilitate the use of electronic payment systems for financial transactions, as detailed in 27 DCMR § 1400. However, this rule does not require the electronic submission of claims.

The Director also gives notice of the intent to take final rulemaking action to adopt this proposed rule in not less than thirty (30) days from the date of publication of this notice in the *D.C. Register*.

**A new Section 928 of Chapter 9, MEDICAID PROGRAM of Title 29 DCMR, PUBLIC WELFARE, is added to read as follows:**

**928 ELECTRONIC PAYMENTS INITIATIVE**

928.1 This rule shall govern the requirements for enrollment of D.C. Medicaid providers and suppliers into the Electronic Funds Transfer /Automated Clearing House (EFT/ACH) program, a federally regulated network for the processing of electronic payments.

When used in this section, the following terms shall have the meanings ascribed:

**Automated Clearing House** - A funds transfer system governed by 31 C.F.R. Part 210 which provides for the interbank clearing of electronic entries for participating financial institutions.

**Electronic Funds Transfer** - The electronic transfer of money from one bank account to another, either within a single financial institution or across multiple institutions, through computer-based systems and without the direct intervention of bank staff.

**Medicaid Provider/Supplier Application** - The general or provider/supplier-specific application document developed by DHCF, and required in order to initiate participation as a D.C. Medicaid provider or supplier.

**Provider Agreement** – An official enrollment document establishing roles, responsibilities, and rights of a District Medicaid provider/supplier.

Comments on this rule should be submitted in writing to Claudia Schlosberg, J.D., Senior Deputy/State Medicaid Director, Department of Health Care Finance, Government of the District of Columbia, 441 4th Street, NW, Suite 900, Washington DC 20001, via telephone on (202) 442-8742, via email at [DHCFPubliccomments@dc.gov](mailto:DHCFPubliccomments@dc.gov), or online at [www.dcregs.dc.gov](http://www.dcregs.dc.gov), within thirty (30) days of the date of publication of this notice in the *D.C. Register*. Additional copies of this rule are available from the above address.