

DEPARTMENT OF HEALTH CARE FINANCE

NOTICE OF FINAL 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 (2016 Repl.)) 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 adoption of 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.

A Notice of Proposed Rulemaking was published in the *D.C. Register* on July 15, 2016 at 63 DCR 009536. No comments were received, and no substantive changes have been made for these final rules. One technical change was made in § 928.2 to update the effective date of the requirements contained in these rules for prospective Medicaid providers and suppliers. These rules were adopted by the Director on February 7, 2017, and shall become final upon publication of this notice in the *D.C. Register*.

Chapter 9, MEDICAID PROGRAM of Title 29 DCMR, PUBLIC WELFARE, is amended as follows:

A new Section 928 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.
- 928.2 All prospective D.C. Medicaid providers and suppliers, except those identified in §§ 928.8 and 928.9, shall enroll in the EFT/ACH program by April 1, 2017 as a condition of execution of the D.C. Medicaid Provider Agreement.
- 928.3 Prospective providers and suppliers subject to the requirement of § 928.2 shall either:
- (a) Provide documentation of enrollment in the EFT/ACH program with the D.C. Medicaid Provider/Supplier Application; or
 - (b) Submit the EFT/ACH enrollment form and all required attachments with the Application.
- 928.4 Prospective providers and suppliers subject to the requirement of § 928.2 who fail to meet the requirements set forth in § 928.3 shall be denied enrollment by the Department of Health Care Finance (DHCF) as D.C. Medicaid providers or suppliers.
- 928.5 All currently enrolled D.C. Medicaid providers and suppliers, except those identified in §§ 928.8 and 928.9, shall enroll in the EFT/ACH program by the date designated by DHCF for the individual provider or supplier in order to remain eligible for reimbursement from the D.C. Medicaid program.
- 928.6 DHCF shall provide written notice of the designated date for EFT/ACH program enrollment to all currently enrolled providers and suppliers subject to the requirement of § 928.5 ninety (90), sixty (60), and thirty (30) days prior to the designated date.
- 928.7 If a currently enrolled provider or supplier subject to the requirement of § 928.5 fails to enroll in the EFT/ACH program by the designated date, DHCF shall take action to terminate the provider or supplier's D.C. Medicaid Provider Agreement pursuant to Chapter 13 of Title 29 DCMR.
- 928.8 District government agencies currently enrolled as D.C. Medicaid providers or suppliers or intending to enroll as D.C. Medicaid providers or suppliers shall not be required to enroll in the EFT/ACH program.
- 928.9 Individuals or entities submitting the D.C. Medicaid Provider/Supplier Application for the sole purpose of obtaining reimbursement for goods or services provided on an emergency or one-time basis shall not be required to enroll in the EFT/ACH program.

928.10 DHCF may accept electronic signatures on the EFT/ACH enrollment form and all other required attachments.

928.99 DEFINITIONS

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.