

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF DIRECTOR

ACTION REFERRAL

TO	DATE
<i>Bowling</i>	<i>5-30-07</i>

DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER	000745	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____	
2. DATE SIGNED BY DIRECTOR	<i>Checked 7/17/07, letter attached</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>6-8-07</i> <input type="checkbox"/> FOIA DATE DUE _____ <input type="checkbox"/> Necessary Action	

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			



UPMC

University of Pittsburgh  
Medical Center

Payor Contract Services

RECEIVED

MAY 29 2007

Department of Health & Human Services  
OFFICE OF THE DIRECTOR

\* Note ino claim  
in envelope

need 5/25/07

May 17, 2007

Quantum One, Suite 079.2  
2 Hot Metal Street  
Pittsburgh, PA 15203

Ms. Melanie Giese  
Director -Health Services Bureau  
Department of Health and Human Services  
P.O. Box 8206  
Columbia, SC 29202-8206

Zenovia  
BY me

Dear Ms. Giese:

The purpose of this correspondence is to offer a rate proposal between Children's Hospital of Pittsburgh (CHP) of the University of Pittsburgh Medical Center (UPMC), University of Pittsburgh Physicians (UPP) and South Carolina Medicaid (SC MA) for future transplant referrals to CHP. Your name was given to me by Zenovia Vaughn, who along with several of her co-workers, participated in a conference call with representatives of UPMC on Monday, April 30, 2007. Zenovia indicated that SC MA would entertain a reimbursement proposal outside of the establish fee schedules of both Pennsylvania and South Carolina Medical Assistance Departments, in order to fairly compensate our providers for transplant cases referred to UPMC.

Attached is UPMC's standard rate agreement with out-of-state Medicaid agencies. I have inserted our proposed reimbursement rates into the body of the agreement.

At your earliest convenience, I would appreciate your comments to this proposal. It is my understanding a new agreement is being negotiated between SC MA and the Medical University of South Carolina as the SC MA transplant gatekeeper, which would become effective July 1, 2007. It is UPMC's understanding that all SC MA transplants are coordinated by the Medical University of South Carolina and after July 1, 2007 transplant claims will be processed and paid by SC MA. Therefore it is my hope that financial agreement can be reached between SC MA and the aforementioned entities as quickly as possible in order to coincide with the July 1<sup>st</sup> implementation.

Additionally, we have enclosed outstanding claims from the care of Kenneth Cantrell for CHP and UPP which have not been previously paid. UPMC would like to have these claims paid or settled.

Please do not hesitate to contact me with any questions.

Log: Bowling

Sincerely,

Does this need

Joseph T. Chuba  
Director, Payor Contract Services

to become a

Log Salter? (MS)

**Transplant Rate Agreement**  
**Children's Hospital of Pittsburgh (CHP)/University of Pittsburgh Physicians (UPP)/South**  
**Carolina Medical Assistance (SC MA)**  
**Effective: July 1, 2007**

**Hospital Services**

- All Inpatient and Outpatient services associated with the Transplant Evaluation will be reimbursed at 60% of CHP's standard billed charges.
- If the above named patient is approved and listed for transplant, SC MA will agree to reimburse all transplant related services for both Inpatient and Outpatient at 60% of CHP's standard billed charges for all pre-transplant services (beginning with the date of UNOS listing), the transplant admission, and for the period ending one year from date of discharge from the transplant admission.
- Organ acquisition fees will be paid at invoice.

**Physician Services**

- All Inpatient and Outpatient services associated with the Transplant Evaluation will be reimbursed at 60% of UPP's standard billed charges.
- If the above named patient is approved and listed for transplant, SC MA will agree to reimburse all transplant related services for both Inpatient and Outpatient at 60% of UPP's standard billed charges for all pre-transplant services, the transplant admission and for the period ending on year from the date of discharge from the transplant admission.

CHP and UPP will submit claims separately to SC MA, and SC MA will process and remit payment to each respective entity. UPP will not be required to enroll their Physicians; nor become a participating provider with South Carolina Medicaid. In lieu of enrolling physicians individually, SC MA will provide one group number to UPP and will process all physician services at the aforementioned rate. UPP will provide an electronic file with basic credentialing information including confirmation its physicians are not sanctioned providers under Medical Assistance or Medicare.

Upon receipt of any bill from CHP or UPP, payment will be made within thirty (30) calendar days of the receipt of the billing statement, including all interim Hospital bills. Interim Hospital bills are produced every fourteen (14) days or upon the accumulation of \$250,000 in posted charges. If payment is not made within the time frame, all discounted arrangements will be considered null and void and full charges shall be payable. In addition, SC MA agrees to comply with the UPMC Patient Business Services (PBS) Audit Policy, enclosed for your review. Finally, SC MA agrees to provide a blanket authorization to cover any and all services provided to the transplant candidate while the patient is being treated in Pittsburgh, in accordance with the protocols established by the respective transplant program. Services will not be denied for the sole reason they can be performed in South Carolina.

CHP and UPP agree not to balance bill the patient for the negotiated discount. We will however, bill the patient for any non-covered services or applicable deductible and coinsurance amounts.

If requested, a copy of this agreement can accompany all bills submitted under the terms of this agreement to ensure proper and timely processing of claims.

CHP and UPP agree to mail billing statements to the following address:

Attention: \_\_\_\_\_

\_\_\_\_\_  
Columbia, SC 29202-8206

This arrangement will not be considered valid unless UPMC Payor Contract Services is in receipt of the signed copy of this letter within three (3) business days.

**Agreed and accepted, intending to be legally bound:**

**UPMC:**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Title

Date: \_\_\_\_\_

**South Carolina MA:**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Title

Date: \_\_\_\_\_



*State of South Carolina*  
*Department of Health and Human Services*

Mark Sanford  
Governor

July 17, 2007

Susan B. Bowling  
Acting Director

# 745  
✓

Mr. Joseph T. Chuba  
Director, Payor Contract Services  
University of Pittsburgh Medical Center  
Quantum One, Suite 079.2  
2 Hot Metal Street  
Pittsburgh, Pennsylvania 15203

Dear Mr. Chuba:

Thank you for your letter regarding a proposed resolution to the transplant process for South Carolina Medicaid beneficiaries. As discussed in your conference call on Monday, April 30, 2007, with Ms. Zenovia Vaughn and staff, we have implemented a process, in collaboration with the South Carolina Medical University Hospital Authority (MUHA), to create an improved working relationship with transplant programs that are outside of the South Carolina medical service area such as the Children's Hospital of Pittsburgh.

Enclosed is a copy of the Medicaid Bulletin dated June 27, 2007, that outlines the current policy and describes the process for all potential transplants. Medicaid Bulletins may be accessed by visiting the South Carolina Department of Health and Human Services (SCDHHS) website at [www.scdhhs.gov](http://www.scdhhs.gov).

MUHA has been given full authority to negotiate payments to SCDHHS transplant facilities. Payments will be sent directly to the facility and physician groups from SCDHHS upon completion of the signed agreements and enrollment documents. MUHA will send, with each authorized request for transplant evaluation, a packet that will include a letter of agreement, a checklist of provider responsibilities, and enrollment information. These documents must be returned to MUHA with your claims to assure proper payment from SCDHHS. SCDHHS will enroll one group provider number for all professional services provided during the transplant experience listed above. It is our desire to make this process as seamless as possible in order to provide the most efficient treatment for our beneficiaries.

Since there were no outstanding claims for Kenneth Cantrell enclosed with your letter, we have since spoken with Ms. Becky Gibson from your hospital who indicates that she will send them via UPS to me immediately. If we may be of additional assistance, please contact Ms. Zenovia Vaughn, Division Director for Hospitals, at (803) 898-2665. Thank you for your continued support of the South Carolina Medicaid program.

Sincerely,  
*BZ Giese*  
Melanie "BZ" Giese, RN  
Bureau Director

MG/gv

South Carolina  
**DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
Post Office Box 8206  
Columbia, South Carolina 29202-8206  
[www.scdhhs.gov](http://www.scdhhs.gov)

June 27, 2007

## MEDICAID BULLETIN

HMO	07-17
HOS-IP-GEN	07-15
HOS-OP	07-17
PHY-CARD	07-14
PHY-MSP-CBP	07-16
PHY-MSP-HBP	07-16
PHY-PC-FP/GP	07-16
PHY-PC-GER	07-15
PHY-PC-INT	07-17
PHY-PC-NEO	07-16
PHY-PC-OG	07-16
PHY-PC-PED	07-17
PHY-PC-PED/SUB	07-16
PHY-SURG	07-14

**TO:** Providers of Professional and Hospital Services

**SUBJECT:** Revised Procedures for Organ Transplant Services

Effective July 1, 2007, the South Carolina Department of Health and Human Services (SCDHHS) will modify the process for approval and reimbursement of organ transplant services to beneficiaries covered by Medicaid.

All potential transplants, cadaver or living donor, listed on the attachment, must be authorized by the Medical University Hospital Association (MUHA) before the services are performed. Upon request, MUHA will review all Medicaid referrals for organ transplants and issue an approval or denial based upon uniform professional and administrative guidelines as to medical necessity. If the transplant is approved, the approval letter will serve as authorization for pre-transplant services. (72 hours pre-admission), the transplant event (hospital admission through discharge), and post-transplant services up to 90 days from the date of discharge. The letter will also contain an authorization number that must be entered in the prior authorization field of the UB-04 and the CMS-1500 claim forms.

MUHA may refer patients to certified transplant facilities that are contracted with SCDHHS within the state as well as certified transplant facilities that are located outside of the South Carolina medical service area (> 25 miles of the South Carolina borders). Reimbursement to a certified in-state transplant facility will be made directly to the provider, facility and professional, upon submission of the claims and cost information (cost reports for facilities) to SCDHHS. Facilities that are outside of the South Carolina medical service area must continue to submit all claims to MUHA. However, payment will be made directly to the out-of-state facility and professional group upon completion of the required enrollment documents and signed Letter of Agreement.

Transplant evaluations performed outside of the South Carolina medical service area must be authorized by SCDHHS, using the out-of-state referral process. Approval from SCDHHS for the evaluation for transplant does not guarantee coverage of the actual transplant event without authorization by MUHA.

Questions regarding the process for requesting approval for transplant services may be directed to Ms. Katherine Taylor, Transplant Coordinator, at the Medical University Hospital Authority (843) 792-2123 or you may call your program manager in Hospital Services (803) 898-2665 or Physician Services (803) 898-2660.

/s/

Susan B. Bowling  
Acting Director

SSB/gvb

Attachment

**NOTE:** To receive Medicaid bulletins by email, please send an email to [bulletin@scdhhs.gov](mailto:bulletin@scdhhs.gov) indicating your email address and contact information.

To sign up for Electronic Funds Transfer of your Medicaid payment, please go to the following link for instructions. <http://www.scdhhs.gov/dhhsnew/serviceproviders/left.asp>

Attachment

Medicaid Covered Transplants

Blood and Marrow

- Allogenic Related
- Allogenic Unrelated
- Autologous – Inpatient
- Autologous – Outpatient
- Cord
- Mismatched

Heart

Kidney/Pancreas

Liver

Liver/Small Bowel

Liver Pancreas

Liver/Kidney

Lung

Multivisceral

Pancreas

Small Bowel