

REDDING RANCHERIA TRIBAL GOVERNMENT POLICIES

Chapter TP 9-400

Cost Reimbursable Health Services



February 15, 2022

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SECTION 1: PURPOSE

To provide expanded services to the program's patients that are not otherwise provided for through available funding sources for direct, contract health services or health promotion and prevention services, when such services can be delivered efficiently and at good value to the patients, without creating a financial burden on the program.

To expand services to incorporate those specialty services that are difficult to obtain within or near the service area due to logistics, lack of provider access, or other issues, provided that such services are paid for by the patient or other third-party resource.

To expand services to other patients where the overall program can benefit through obtaining overall efficiency where reimbursements are equal to or better than the incremental costs of delivering such care.

SECTION 2: BACKGROUND AND INTENT

The Indian Self-Determination Act provides broad authority to Tribes that operate under contracts or compacts to design services that best meet the needs of their respective community. The Indian Health Care Improvement Act makes provisions for Tribes that operate under Title V of the Indian Self-Determination Act (Self-Governance) to charge Indians for services and to serve non-Indians on a fee for service basis.

While funding provided under the Compact with the Indian Health Service is inadequate to meet the needs of the Native American community and to provide for all of the services that may be available through the Indian Health Service to other communities served, the Redding Rancheria has determined that a number of services can be more efficiently delivered through its health system on a "fee-for-service" basis than can be obtained from other providers.

Cost reimbursable programs will be incorporated activities under the Compact of Self-Governance and Annual Funding Agreements.

SECTION 3: DEFINITIONS (Reserved)

SECTION 4: DELEGATED AUTHORITY (Reserved)

SECTION 5: AUTHORIZED PROGRAMS AND SERVICES

- (a) Medical Services – Specialty clinics, including those performed by outside professionals on a contractual basis.
- (b) Dental Services – As set forth within Section 9 of this policy.

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- (c) Pharmaceuticals – As set forth within Section 10 of this policy.
- (d) Behavioral Health Services – including specialty psychiatric services may be offered on a cost reimbursable basis when considered appropriate in conjunction with medical treatment.
- (e) Ambulatory clinical services – delivered to non-eligible patients under a reimbursement agreement using the Indian Health Service wide Medicaid encounter rate.

SECTION 6: PRIORITIES, ELIGIBILITY AND PAYMENT FOR SERVICES

The Redding Rancheria Tribal Health System will provide cost reimbursable and fee for service programs at its facilities, as indicated, and to the extent that services are consistent with the overall mission of the program, offer convenience and cost efficient alternatives to patients, including services that are otherwise difficult to access, for any patients of the System described under direct services within this policy, provided that:

- (a) Each program shall establish specific criteria for each cost reimbursement and fee adjustment, including priorities for access.
- (b) Any program offered under this Section has been incorporated under appropriate insurance policies for the program.
- (c) Neither the Redding Rancheria nor the System assumes any financial responsibility for the programs. Provisions are to be made to assure that all costs of the program are covered by collections.

SECTION 7: OPERATIONAL APPROACH

- (a) Services that are authorized and provided as a direct service or as a health promotion and prevention service through the use of Indian Health Services resources, or third-party reimbursements associated with the delivery of those services are limited and the program is required to prioritize services based on available resources. Other desirable services that are consistent with the overall mission and goals of the System may be offered on a fee for service or cost reimbursable basis in order to expand the offerings of the program, provide value and convenience to the patient and promote health status, provided that the program collects the cost of such services from the patient or the patient's alternate resource, including appropriate allocations of overhead costs.
 - (1) Such services should be offered when the cost of providing them and associated reimbursement are reasonably efficient in comparison to

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usual and customary charges in the market place, or when there is otherwise a financial advantage to the health system by providing such services

- (2) Costs of providing such services shall be carefully monitored and reimbursement rates adjusted as appropriate to assure that the costs of providing services recovered by the program.
- (3) Cost reimbursable services shall be clearly delineated from direct services and health promotion and prevention services that are offered to patients on a non-reimbursable "direct services" under the provisions of the Indian Health Service compact.
- (4) Standards of care described under for direct services shall apply to cost reimbursable services.
- (5) Patients will be on notice that charges not covered by an alternate resource, including CHS and IHS direct care reimbursements shall be their responsibility and shall be payable at the time of service or in advance.

(b) Quality Management and Improvement

Providers employed or contracted to provide cost reimbursable for fee for service programs within the Center will have proper credentials and maintain proficiency with the continuing education requirements of their profession.

(c) Program Design

A written plan for each cost reimbursable or fee for service program shall be approved by the Chief Executive Officer. Such plan shall describe the specific services to be provided, the method of providing the service, the cost of services and the plan for pricing services and collecting reimbursement. The plan shall identify how the service responds to the mission and goals of the program and address any risks associated with the program, and shall establish productivity criteria.

SECTION 8: ACCOUNTABILITY

(a) Budget

Budgets shall be separately identified within the Health Services Fund for each cost reimbursable service or fee for service program offered by the program, and shall include allocations of any Center overhead or indirect

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costs associated with the service.

(b) Accounting for the costs of service

Cost accounting shall be maintained and reports provided on a regular basis to assure that, consistent with the provisions of Tribal Council Resolution 03-03-08-11 or its successor, no diminution of services to IHS eligible patients results from serving non-IHS patients on a cost reimbursable basis.

(c) Billing for services

Each encounter shall be billed based on the established fee schedule for the service. There shall be a regular review of the fee schedules to assure that the System charges and collections cover the costs of the service.

(d) Those services authorized pursuant to this Chapter shall not be dispensed without charge to any patient of the System.

(e) Program Objectives and Productivity Measures

Each year the clinical programs will identify program objectives and productivity measures that will be monitored (e.g., medical visits, dental visits, collection targets, etc.). These objectives and productivity measures shall be reviewed with the CEO and the Tribal Council.

(f) Patient Responsibility

Patients are responsible for the cost of any cost reimbursable service to the extent that such service is not provided for by an alternate resource approved by the program. The program reserves sole discretion regarding the choice of alternate resources that it will bill on the behalf of the patient, and may require direct payment by the patient where the amount to be provided by an alternate resource cannot be established at the time of service. Patient responsibility for payments shall be established in advance of service and collected at the time of service or prior to rendering service as the Chief Executive Officer shall determine. Patients who do not accept responsibility for payment may be refused services.

(g) Surpluses

Surpluses achieved by cost reimbursable programs shall be retained within the Health Services Fund to further the overall goals of the Health Center.

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SECTION 9: DENTAL SERVICES

- (a) Dental services authorized may include cleaning; preventive care; prosthetics; endodontic; surgical; periodontal; pediatric dentistry; orthodontics; community outreach and education services.
- (b) Dental Services shall be operated on a fee for service basis, with fees established in relation to usual and customary charges for the area.
- (c) Services offered shall only include those that can be carried out efficiently and for which full costs of operations may be recovered. The operation is expected to collect sufficiently to cover all of its costs, including overhead.
- (d) Dental services operated pursuant to this policy may prioritize patients to be seen on the basis of health status priorities, such as age groups or priority procedures, and on the basis of the nature of reimbursement rates available to assure the financial viability of the program.
- (e) Services offered shall be based on a plan approved by the Chief Executive Officer that represents the most fiscally viable activities given available facilities, equipment and providers, and patient access to insurance and other resources.

SECTION 10: PHARMACY SERVICES

- (a) Pharmacy services authorized may include prescription and non-prescription pharmaceuticals, and education regarding use and side effects.
- (b) Pharmacy services shall be operated on a fee-for service/cost reimbursable basis, which reimbursement shall include, at a minimum, the cost of the pharmaceuticals at the cost to the program plus a reasonable handling and filling fee.
- (c) Pricing shall be established by the Chief Executive Officer from time to time, with the objective of covering staffing, operations, billing and overhead costs. Surpluses, reasonable to protect the integrity of the program may be considered in setting prices.
- (d) It is expected that some reimbursements from third parties will exceed the program's total costs of some prescriptions.
- (e) To the extent permitted by law, pharmaceuticals dispensed pursuant to this policy shall be acquired through federal supply sources under Section 340(b) of the Public Health Service Act and applicable regulations.

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- (f) In establishing the pricing to the Redding Rancheria Self-Funded Plan discussed in Chapter 9-700, the Chief Executive Officer shall balance the needs of the Health System and the Plan.

Legislative History:

Originally Adopted by Tribal Council Resolution #007-02-07-06, dated February 7, 2006.

Amended by Tribal Council Resolution #022-04-12-07, dated April 12, 2007.

Amended by Tribal Council Resolution #028-06-12-12, dated June 12, 2012.

Amended by Tribal Council Resolution #048-07-14-15, dated July 14, 2015.

Amended by Tribal Council Resolution #019-02-15-22, dated February 15, 2022.