

SBAR regarding the donut hole that exists when a Tier 3 AMH terminates contract with CIN without ensuring there is no risk of being out of network with any of their contracted PHPs for ≥ 1 day.

Situation

PHPs are sending letters to beneficiaries and AMH Tier 3s stating the practice is no longer in network with the PHP and it is alarming and confusing to the beneficiaries and practices. This occurs when the AMH terminates contract with a CIN (the CIN “owns” the AMH’s contracts with the PHPs) and does not have renewed contract established with the PHP(s) (either via another CIN, or directly with the PHP) to ensure no break with being in PHP(s) network.

Background

Almost all AMH Tier 3 practices who are under contract with a CIN delegate the practice’s PHP contracting responsibilities to the CIN as part of the business arrangement. When a Tier 3 terminates their contract with a CIN who is managing the practice’s contract via deeming arrangement, the CIN will terminate the contract(s) between the Tier 3 and their contracted PHPs. If the practice does not ensure they have re-contracted with their respective PHP(s) to begin the day after the CIN termination, the PHP(s) may eventually send notification to the Tier 3 practice’s panel members and to the practice stating that the practice is no longer in network.

Assessment

This scenario (CIN-PHP termination) triggers chaos for the patients and the practice (e.g., patient may quickly find a new AMH; practice receives denials from PHP(s); extra administrative work to get back into network, notify patients, and resubmit claims). This scenario is especially seen in Medicaid essential practices (i.e., independent) who might already be overwhelmed with administrative duties. They may not take the time to fully review their current CIN and PHP contract(s) and recognize the importance of ensuring that at no time should they be “out of network” with their current PHP partners.

Recommendations

- NC AHEC will continue to reiterate to practices on the importance of using their contracts with CINs and PHPs as sources of truth and as tools for mitigating financial risks and disruptions in patient access to care. First step should be contract and discovery of term clause; followed by determining the amount of time it would generally take to negotiate if allowed a new contract with the PHPs without term notice to CIN.
- NC AHEC will continue to advise Tier 3s who have made the decision to terminate CIN contract to **in advance** – have a discussion with their representative from each PHP to review contracts; seek legal counsel; and ensure there are no gaps in network inclusion with their respective

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- PHPs. Engage with NC AHEC coach along the way and include the suggestion for teleconference between PHP, CIN, and practice. NC AHEC may develop a checklist with important milestones and sequence, for review and approval by DHB.
- PHPs will establish a standardized process for Tier 3 practices who are planning to terminate CIN contract to ensure continuity of in-network status without disruption to patient care and/or claims.
- Recommend that PHPs also establish rapid cycle proactive response when CIN notifies PHP of contract termination and promptly engage with practice to ensure continuation of contract and in-network status.

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