Updates for the Enrollment or Revalidation of Co-Located Providers

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IMPORTANT REMINDER: All providers must revalidate the Medical Assistance (MA) enrollment of each service location every 5 years. Providers should log into PROMISse to check the revalidation dates of each service location and submit revalidation applications at least 60 days prior to the revalidation dates. Enrollment (revalidation) applications may be found at: https://www.dhs.pa.gov/providers/Providers/Pages/PROMISse-Enrollment.aspx.

PURPOSE:

The purpose of this bulletin is to inform providers that the Department of Human Services (Department) has rescinded the statement of policy codified at § 1101.51a (relating to clarification of the term “within a provider’s office” – statement of policy), which clarified the term “within a provider’s office” under 55 Pa. Code § 1101.51(c)(3) (relating to ongoing responsibilities of providers) and updated the process for the enrollment or revalidation of providers that are in co-located arrangements.

SCOPE:

This bulletin applies to all providers enrolled in the Medical Assistance (MA) Program.

BACKGROUND:

Section 1407(a)(2) of the Human Services Code (code) (62 P.S. § 1407(a)(2)) provides that it is unlawful to solicit or receive or to offer or pay any remuneration, including any kickback, bribe or rebate, directly or indirectly, in cash or in kind from or to any person in connection with the furnishing of services or merchandise for which payment may be in whole or in part under the MA Program or in connection with referring an individual to a person for the furnishing or arranging for the furnishing of any services or merchandise for which payment may be made in whole or in part under the MA Program. The Department promulgated the regulation under § 1101.51(c)(3) to provide specific examples of the types of arrangements

COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:

The appropriate toll-free number for your provider type.

Visit the Office of Medical Assistance Programs website at: https://www.dhs.pa.gov/providers/Providers/Pages/Health%20Care%20for%20Providers/Contact-Information-for-Providers.aspx.
that section 1407(a)(2) of the code prohibits. Among the examples is that providers may not "lease or rent space, shelves or equipment within a provider’s office to another provider or allowing the placement of paid or unpaid staff of another provider in a provider’s office."

As advancements in the healthcare industry continued to support integrated care, the Department determined that a narrow interpretation of § 1101.51(c)(3) is more restrictive than required to comply with the code and prevented co-locating providers who are otherwise eligible from enrolling in the MA Program. The Department published the “Clarification of the term “within a Provider’s Office” statement of policy on May 28, 2016, which was codified at 55 Pa. Code § 1101.51a.

On May 31, 2016, the Department issued MA Bulletin 99-16-04, entitled “Enrollment of Co-Located Providers,” to inform providers of the newly established process for enrollment or revalidation. This bulletin also implemented an attestation form to be completed by both the applicant and the current enrolled provider(s) when providers were in a co-location arrangement.

The Department subsequently promulgated the Interrelationship of Providers final-form rulemaking, which was published at 53 Pa.B 376 (January 4, 2023). This final-form rulemaking removed the language under 55 Pa. Code § 1101.51, which previously prohibited co-located providers from enrolling in the MA Program.

**DISCUSSION:**

As a result of the promulgation of the Interrelationship of Providers final-form rulemaking, which deleted § 1101.51(c)(3), the Department rescinded the corresponding statement of policy codified at 55 Pa. Code § 1101.51a and is no longer requiring the completion of an attestation form for co-locating providers.

**PROCEDURE:**

Effective January 14, 2023, providers who are in co-location arrangements no longer need to complete the attestation form during enrollment or revalidation in the MA Program. Allowing different types of providers to be located in the same space benefits MA beneficiaries by providing the opportunity for a more integrated approach to healthcare.

The rescission of the regulation at 55 Pa. Code § 1101.51(c)(3) does not invalidate other rules affecting co-locating providers if, for example, they are prohibited by licensing or certification requirements from leasing or renting space, shelves or equipment or otherwise shared space. Providers must continue to comply with any other applicable law, including the Health Insurance Portability and Accountability Act of 1996, Federal and State anti-kickback and self-referral laws, and the requirement to provide MA beneficiaries with freedom of choice.

**OBSOLETE BULLETIN:**

RESOURCES: