

Out-of-State Prior Authorization Frequently Asked Questions

1. Why is an Out-of-State Prior Authorization requirement being implemented?

In order to improve health outcomes and efficiently utilize South Dakota Medicaid and CHIP resources, care should be provided in, or as close to South Dakota as possible. Prior authorization of out-of-state services helps ensure all alternatives are considered and that seeking treatment out-of-state care is medically necessary.

2. Are all services provided by and out-of-state provider subject to this requirement?

No. We have exempted some services from this requirement. Services that **do not** require prior authorization to be provided out-of-state include certain lab, radiology or pathology services, durable medical equipment, and pharmacy. These have been exempted as they are expected to be an integral part of another provider visit or procedure that will require prior authorization. Additionally, these services are often performed by out-of-state providers while the Medicaid recipient is physically in South Dakota.

3. What process do we follow for emergency inpatient admissions or urgent situations during holidays or weekends?

If the inpatient hospitalization is the result of an emergency, the prior authorization can be granted retroactively.

In the case of inpatient hospitalizations, hospitals must submit the Prior Authorization Request Form South Dakota Medicaid within 48 hours and an expedited determination on these cases will be made within two business days. Providers should also expect to provide at least weekly updates on hospitalizations to South Dakota Medicaid after notification.

4. What process do we follow for non-emergency situations?

A Prior Authorization Request Form must be submitted before a recipient receives non-emergency service out-of-state. The documentation must provide details of the anticipated service. The Prior Authorization Request Form should be submitted as soon as possible after service has been prescribed or a referral has been made to allow South Dakota Medicaid time to explore medical necessity and verify the service(s) cannot be provided in South Dakota.

5. What if I have a patient who already has a service scheduled?

Submit the Prior Authorization Request Form and supporting medical records as soon as possible to allow South Dakota Medicaid time to review the situation and issue a determination prior to the scheduled service.

6. How long will it take to obtain a prior authorization?

A prior authorization determination may take up to 30 days for an elective service. These will be completed in the order they are received. If the inpatient hospitalization admission is the result of an emergent or urgent situation, or is a transfer situation, the Prior Authorization Request Form should be submitted within 48 hours and authorizations will be expedited and completed within 2 business days of the request.

7. Who is responsible for obtaining the out-of-state prior authorization?

The referring provider is expected to initiate the out-of-state prior authorization request and provide supporting documentation. This responsibility should not be delegated to the recipient. When referring a Medicaid recipient to services out-of-state, the prior authorization request form should be submitted upon referral and must include an explanation of the need for care out-of-state when an in-state option is available.

8. What if the recipient has Medicare?

If the patient has Medicare in addition to South Dakota Medicaid, please follow the Medicare requirements, as South Dakota Medicaid's payments are contingent upon Medicare's determination.

9. What if the recipient has other private health insurance (PHI)?

If the patient has other private health insurance, please follow the requirements of the primary insurance in addition to seeking South Dakota Medicaid approval as the secondary payer.

Prior authorization from South Dakota Medicaid is required for the recipient to receive assistance with transportation, food, and lodging reimbursement even if there is no need for South Dakota Medicaid to reimburse the medical service.

10. What do I need to do to obtain prior authorization?

A Prior Authorization Request Form must be submitted. The form is available at: <http://dss.sd.gov/sdmedx/includes/providers/programinfo/pa/index.aspx> along with additional information about the out-of-state prior authorization requirement. The

form can be submitted by the provider where services will be provided or by the recipient's primary or specialty care provider in advance of an anticipated out-of-state service.

The Prior Authorization Request Form must be complete and must be accompanied by supporting medical documentation. The referring provider must also verify that there is no provider in South Dakota, or closer to South Dakota, who can provide the service. A written notification of approval or denial will be sent to the contact provided as soon as a determination is made.

10. What if I am not an enrolled South Dakota Medicaid provider?

Out-of- state providers who are not enrolled as a South Dakota Medicaid provider must obtain prior authorization and provide the approved service(s) prior to enrolling in South Dakota Medicaid. These providers should submit the Prior Authorization Request Form. If the request is approved, the provider will receive written notification stating the determination was made pending enrollment. The provider must submit the resulting claim and the written prior authorization approval notification with the Provider Enrollment documentation.

Please note that South Dakota Administrative Rule 67:16:35:04 requires claims to be filed within 6 months of the date of service.

11. How are prior authorization determinations made?

Registered nurses review each request for medical necessity criteria. All covered services must be medically necessary per Administrative Rule of South Dakota 67:16:01:06:02, which can be found at <http://legis.sd.gov/Rules/default.aspx>.

To ensure that the out-of-state service is the most conservative option to meet the recipient's needs, the registered nurse will also verify that the service is going to be provided at the closest possible location.

Registered nurse reviewers may also consult the South Dakota Medicaid Medical Director to assist in complex determinations.

12. Does this requirement apply to children in DSS custody?

No, children in DSS custody are exempt from this requirement.

13. Does this requirement apply to services that already require a prior authorization? (e.g. inpatient psychiatric hospitalizations, long-term acute care, rehab stays, NICU, Botox, surgical procedures and durable medical equipment requiring a PA, etc.)

No, services that require prior authorization regardless of the location do not also need to be prior authorized for out-of-state. Only one prior authorization is necessary for a given service.

14. What form should I use?

Services requiring prior authorization are listed on the prior authorization website: <http://dss.sd.gov/sdmedx/includes/providers/programinfo/pa/index.aspx>. Providers should use the form associated with the type of service they are seeking prior authorization for. If the service only requires prior authorization because it is being done out-of-state, the Out-of-State Prior Authorization Request form should be utilized.

15. How are physician services covered during an inpatient hospital stay?

Only one prior authorization is needed for the hospital stay. Physician services are included as part of the prior authorization for the inpatient stay. A prior authorization will be issued to the prior authorization contact for the inpatient facility for the dates of the approved hospital stay. In addition to the hospital facility, this authorization must be shared with all physicians to use for visits billed during that hospital stay.