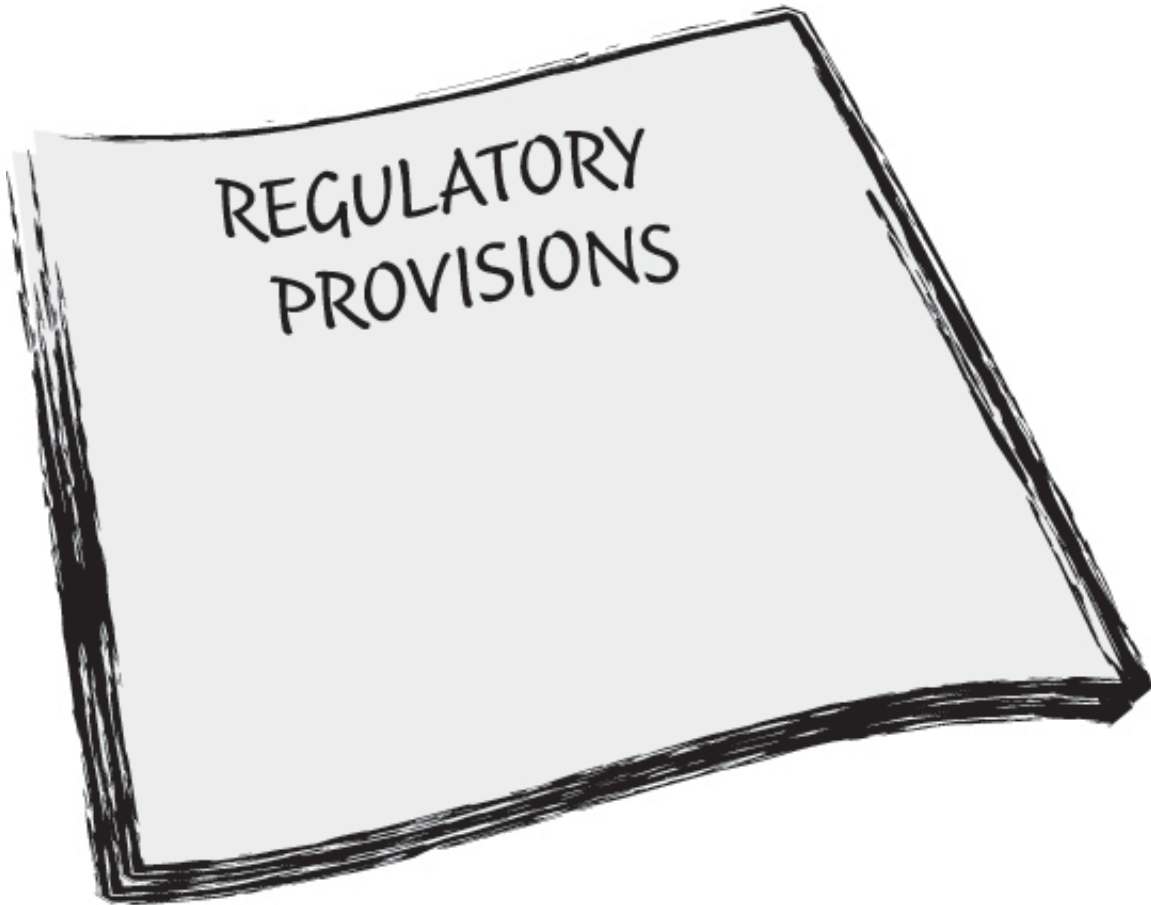


Section XI
REGULATORY PROVISIONS



Access to & Financial Responsibility for Services

Member's Financial Responsibilities

If Keystone First notifies the Health Care Provider and/or the Member that a service will not be covered, and the Member chooses to receive that service or treatment, the Member can be billed for such services. Keystone First Members may be directly billed for non-covered services provided they have been informed of their financial responsibility prior to the time services are rendered. The Member's informed consent to be billed for services must be documented. It is suggested that the Health Care Provider obtain a signed statement of understanding of financial responsibility from the Member **prior to rendering services**.

As outlined in the Pennsylvania Department of Public Welfare's Medical Assistance bulletin 99-99-06 entitled "Payment in Full", Keystone First strongly reminds all providers of the following point from the bulletin:

Providers requiring Medicaid recipients to make cash payment for Medicaid covered services or refusal to provide medically necessary services to a Medicaid recipient for lack of pre-payment for such services are illegal and contrary to the participation requirements of the Pennsylvania Medical Assistance program.

Additionally the Pennsylvania Code, 55 Pa. Code § 1101.63 (a) statement of policy regarding full reimbursement for covered services rendered specifically mandates that:

- All payments made to providers under the MA program plus any copayment required to be paid by a recipient shall constitute full reimbursement to the provider for covered services rendered.
- A provider who seeks or accepts supplementary payment of another kind from the Department, the recipient or another person for a compensable service or item is required to return the supplementary payment.

To review the complete MA Bulletin 99-99-06, "Payment in Full", visit the Provider Center at www.keystonefirstpa.com → Providers → Communications → MA Bulletins and RA Alerts.

Services Provided by a Non-Participating Provider

Keystone First's Provider Services Department will make every effort to arrange for the Member to receive all necessary medical services within Keystone First's Network of Providers in collaboration with the recommendations of the PCP. Occasionally, a Member's health care needs cannot be met through the Keystone First Network of Providers. All services by Non-Participating Providers (except Emergency Services, Family Planning Services through Keystone First, tobacco cessation counseling and Medicare covered services by a Medicare Health Care Provider) require Prior Authorization from the Keystone First Utilization Management Department. Unauthorized services rendered by Non-Participating Providers are not

compensable and may become the financial responsibility of the Keystone First Member if the Member chooses to receive services or treatment by the Non-Participating Provider.

To comply with provisions of the Affordable Care Act (ACA) regarding enrollment and screening of providers (Code of Federal Regulations: 42CFR, §455.410), all providers must be enrolled in the Pennsylvania State Medicaid program before a payment of a Medicaid claim can be made. This applies to non-participating out-of-state providers as well.

Enroll by visiting: <http://provider.enrollment.dpw.state.pa.us/>

Services Provided Without Required Referral/Authorization

Except for certain services, and Network Providers for which specific prepayment arrangements have been made, e.g., lab services and certain PCP services, Keystone First requires Prior Authorization of certain health care treatment and services rendered to its Members. Health Care Providers should refer to Section II of the Manual titled "Referral and Authorization Requirements" for this information. Members should also be referred to the Member Handbook for a complete listing of those services that require a referral or Prior Authorization. Keystone First is not obligated to provide reimbursement for services that have not been appropriately authorized.

Services Not Covered by Keystone First

Keystone First is a Pennsylvania Medical Assistance Managed Care Organization, and as such, has a benefit structure that closely resembles the Pennsylvania Medical Assistance fee-for-service program. Keystone First is not responsible for reimbursing for services, treatments, or other items that are outside of the covered benefit structure of the Plan. If Keystone First notifies the Health Care Provider and/or the Member that a service will not be covered, and the Member chooses to receive that service or treatment, the Member can be billed by the Health Care Provider for such services provided that the Member has been informed of his/her financial responsibility prior to the time services are rendered. Health Care Providers should refer to Section I of the Manual titled "Benefit Limit and Co-Payment Schedule" or call the Keystone First Provider Services Department at **1-800-521-6007** with questions about covered/non-covered services. Members should also be referred to the Keystone First Member Handbook or speak with a Keystone First Member Services Representative by calling **1-800-521-6860** when questions arise about services that are or are not covered by Keystone First.

Important Note: Keystone First is prohibited from making payment for items or services to any financial institution or entity located outside of the United States or its territories

Member Accessibility to Providers for Emergency Care

No Prior Authorization for Emergency Services

Keystone First does not require Prior Authorization or pre-approval of any Emergency Services.

Keystone First PCP and Specialist Office Standards (see Section VI of this Manual) require Network Providers to provide Medically Necessary covered services to Keystone First Members, including emergency and/or consultative specialty care services, 24 hours a day, 7 days a week. Members may contact their PCP for initial assessment of medical emergencies.

In cases where Emergency Services are needed, Members are advised to go to the nearest Hospital Emergency Room (ER), where ER staff should immediately screen all Keystone First Members and provide appropriate stabilization and/or treatment services.

Care Out of Service Area

Keystone First Members have access to Emergency Services when traveling anywhere in the United States. Although not required, Members are encouraged to contact their PCP to report any out-of-area Emergency Services received.

Important Note: Keystone First is prohibited from making payment for items or services to any financial institution or entity located outside of the United States or its territories

Compliance with the HIPAA Privacy Regulations

In addition to maintaining the Corporate Confidentiality Policy, Keystone First is required to comply with the Privacy Regulations as specified under the Health Insurance Portability and Accountability Act (HIPAA) of 1996.

Keystone First complies with all provisions stipulated in the HIPAA Privacy Regulations , including, but not limited to, the following:

- Designated a Privacy Officer who is responsible for the directing of on-going activities related to the Keystone First's programs and practices addressing the privacy of Member's protected health information (PHI)
- Developed a centralized Privacy Office, which is responsible for the day-to-day oversight and support of Privacy-related initiatives conducted at Keystone First
- Keystone First's Notice of Privacy Practices which describes how medical information is used and disclosed, as well as how it can be accessed
- are distributed to newly enrolled Members in the welcome kit and is available to existing Members on the Member web site, as well as being published annually in the member newsletter. in the member newsletter , Established and/or enhanced processes for our Members to exercise their rights under these regulations, such as requesting access to their PHI, or complaining about Keystone First's privacy practices

Allowed Activities Under the HIPAA Privacy Regulations

The HIPAA Privacy Regulations allow covered entities, including Health Care Providers and health plans (such as Keystone First), the ability to use or disclose PHI about its Members for the purposes of Treatment, Payment and/or Health plan Operations (TPO) without a Member's consent or authorization. This includes access to a Member's medical records when necessary and appropriate.

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“**TPO**” allows a Health Care Provider and/or Keystone First to share Members' PHI without consent or authorization by establishing these purposes as follows:

“**Treatment**” includes the provision, coordination, management, consultation, and referral of a Member between and among Health Care Providers.

Activities that fall within the "**Payment**" category include, but are not limited to:

- Determination of Member eligibility
- Reviewing health care services for medical necessity and utilization review
- Review of various activities of Health Care Providers for payment or reimbursement to fulfill Keystone First's coverage responsibilities and provide appropriate benefits
- To obtain or provide reimbursement for health care services delivered to Members

“**Operations**” includes:

- Certain quality improvement activities such as Case Management and care coordination
- Quality of care reviews in response to Member or state/federal queries
- Response to Member Complaints/Grievances
- Site visits as part of credentialing and recredentialing
- Administrative and financial operations such as conducting Health Plan Employer Data And Information Set (HEDIS) reviews
- Member services activities
- Legal activities such as audit programs, including Fraud and abuse detection to assess conformance with compliance programs

While there are other purposes under the Privacy Regulations for which Keystone First and/or a Health Care Provider might need to use or disclose a Member's PHI, TPO covers a broad range of information sharing.

For more information on HIPAA and/or the Privacy Regulation, please visit the Provider Center at www.keystonefirstpa.com and click on the HIPAA Page or contact the Provider Services Department at **1-800-521-6007**.

Contact Information

Listed below are general contact addresses for accessing Keystone First, DHS, and other related organizations. For information about additional organizations, contact Provider Services at **1-800-521-6007** or Member Services at **1-800-521-6860**.

Keystone First
200 Stevens Drive
Philadelphia, PA 19113

Department of Human Services
Bureau of Managed Care Operations
Commonwealth Tower, 6th Floor
P.O. Box 2675
Harrisburg, PA 17105

Pennsylvania Health Law Project
Lafayette Building, Suite 900
437 Chestnut St.
Philadelphia, PA 19106
Phone: (215) 625-3663
Fax: (215) 625-3879
Toll free line 1-800-274-3258
TTY line, 1-866-236-6310
Email at staff@phlp.org.

Disabilities Law Project
The Philadelphia Building
1315 Walnut St., Suite 400
Philadelphia, PA 19107-4798
(215) 238-8070 (Voice)
(215) 789-2498 (TDD)
(215) 772-3126 (Fax)

Office of Maternal & Child Health
1101 Market Street
9th Floor
Philadelphia, PA 19107
215.685.5225
215.685.5257 (fax)

Cultural Competency

Cultural Competency, as defined by the Pennsylvania Department of Human Services (DHS), is the ability of individuals, as reflected in personal and organizational responsiveness, to understand the social, linguistic, moral, intellectual, and behavioral characteristics of a community or population, and translate this understanding systematically to enhance the effectiveness of healthcare delivery to diverse populations.

Further, Section 601 of Title VI of the Civil Rights Act of 1964 states that:

No person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Discriminatory actions against those of Limited English Proficiency (LEP), Low Literacy Proficiency (LLP) or sensory impairment can be seen as discrimination on the basis of national origin. Therefore, these Medical Assistance recipients must be allotted equal access to all services and benefits of Keystone First.

Recipients of federal financial assistance would include the Pennsylvania Medical Assistance Program, and by extension, Medical Assistance Managed Care Organizations, i.e., Keystone First and its Network Providers.

As a participant in the Pennsylvania Medical Assistance program, all practitioners and other health care providers are mandated to provide language service assistance as defined by this section of the Civil Rights Act of 1964. Language services include verbal interpreter services and written translation services in other languages or formats.

In order to be in compliance with federal law and state contractual requirements, Keystone First and its Network Providers have an obligation to provide language services to LEP and LLP Members and to make reasonable efforts to accommodate Members with other sensory impairments.

If a Keystone First Member requires or requests translation services because he/she is either non-English speaking, or of limited or low English proficiency, or if the Member has some other sensory impairment, the Health Care Provider has a responsibility to make arrangements to procure translation services for those Members, and to facilitate the provision of health care services to such Members.

Title III of the Americans with Disabilities Act (ADA) states that public accommodations must comply with basic non-discrimination requirements that prohibit exclusion, segregation, and unequal treatment of any person with a disability. Public accommodations (such as Health Care Providers) must specifically comply with, among other things, requirements related to effective

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communication with people with hearing, vision, or speech disabilities, and other physical access requirements.

Communication, whether in written, verbal, or "other sensory" modalities is the first step in the establishment of the patient/ Health Care Provider relationship

Providers are required to:

- Provide written and oral language assistance at no cost to Plan members with limited-English proficiency or other special communication needs, at all points of contact and during all hours of operation. Language access includes the provision of competent language interpreters, upon request.
- Provide members verbal or written notice (in their preferred language or format) about their right to receive free language assistance services.
- Post and offer easy-to-read member signage and materials in the languages of the common cultural groups in the Provider's service area. Vital documents, such as patient information forms and treatment consent forms, must be made available in other languages and formats.
- Discourage Members from using family or friends as oral translators.
- Advise Members that translation services are available through Keystone First if the Provider is not able to procure necessary translations services for a Member.

Note: The assistance of friends, family, and bilingual staff is **not** considered competent, quality interpretation. These persons should not be used for interpretation services except where a member has been made aware of his/her right to receive free interpretation and continues to insist on using a friend, family member, or bilingual staff for assistance in his/her preferred language.

Therefore if a Keystone First member requires interpretation or translation services, the Health Care Provider has a responsibility to provide these services for such members.

Keystone First contracts with a competent telephonic interpreter service provider. We have an arrangement to make our corporate rate available to participating Network Providers. For information on using the telephonic interpreter service, contact Provider Services at 1-800-521-6007.

Additionally under the Culturally Linguistically Appropriate Standards (CLAS) of the Office of Minority Health, Plan providers are strongly encouraged to:

- Provide effective, understandable, and respectful care to all members in a manner compatible with the member's cultural health beliefs and practices of preferred language/format.
- Implement strategies to recruit, retain, and promote a diverse office staff and organizational leadership representative of the demographics in your service area.
- Educate and train staff at all levels, across all disciplines, in the delivery of culturally and linguistically appropriate services.

- Establish written policies to provide interpretive services for Plan members upon request.
- Routinely document preferred language or format, such as Braille, audio, or large type, in all member medical records.

Keystone First has a Cultural Competency Plan. Providers may request a copy by contacting Provider Services at 1-800-521-6007.

Keystone First's Corporate Confidentiality Policy

The policy states that during the course of business operations, Confidential Information and/or Proprietary Information, including Member Protected Health Information (PHI), may become available to Keystone First Associates, Consultants and Contractors. Keystone First's use and disclosure of Member PHI is regulated pursuant to the Health Insurance Portability and Accountability Act ("HIPAA") and its implementing regulations. Keystone First's use and disclosure of PHI is also impacted by applicable state laws and regulations governing the confidentiality and disclosure of health information.

Keystone First is committed to safeguarding Confidential Information and Proprietary Information, including ensuring the privacy and security of Member PHI, in compliance with all applicable laws and regulations. It is the obligation of all Keystone First Associates, Consultants and Contractors to safeguard and maintain the confidentiality of Confidential and Proprietary Information, including PHI, in accordance with the requirements of all applicable federal and state statutes and regulations as well as the provisions of Keystone First's Confidentiality Policy and other Keystone First policies and procedures addressing Confidential and Proprietary Information, including PHI.

All Confidential Information and Proprietary Information, including PHI, will be handled on a need-to-know basis. The Keystone First Confidentiality Policy and other Keystone First policies and procedures are adopted to protect the confidentiality of such information consistent with the need to effectively conduct business operations without using or disclosing more information than is necessary, for example, conducting research or measuring quality through the use of aggregated data wherever possible. No Associate, Consultant or Contractor is permitted to disclose Confidential Information or Proprietary Information pertaining to Keystone First or a Member to any other Associate, Consultant or Contractor unless such a disclosure is consistent with the Keystone First Confidentiality Policy.

Both during and after an Associate's association with the Keystone First, it shall be a violation of the Keystone First Confidentiality Policy to discuss, release, or otherwise disclose any Confidential Information or Proprietary Information, except as required by the Associate's employment relationship with Keystone First or as otherwise required by law. It is also a violation of Keystone First's Confidentiality Policy for any Associate to use Confidential Information or Proprietary Information for his/her own personal benefit or in any way inconsistent with applicable law or the interests of Keystone First. To the extent that a violation of the Keystone First Confidentiality Policy occurs, Keystone First reserves the right to pursue any recourse or remedy to which it is entitled under law. Furthermore, any violation of the

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Keystone First Confidentiality Policy will subject the Associate(s) in question to disciplinary action, up to and including termination of employment.

The following information is provided to outline the rules regarding the handling of confidential information and proprietary information within Keystone First.

Confidential information and proprietary information includes, but is not limited to the following:

- Protected Health Information
- Medical or personal information pertaining to Associates of Keystone First (“the Company”) and/or its Customers
- Accounting, billing or payroll information, and data reports and statistics regarding the Company, its Associates, Members, and/or Customers
- Information that Keystone First is required by law, regulation, agreement or policy to maintain as confidential
- Financial information regarding the Company, its Members, Network Providers and Customers, including but not limited to contract rates and fees
- Associate personnel and payroll records
- Information, ideas, or data developed or obtained by Keystone First, such as marketing and sales information, marketplace assessments, data on customers or prospects, proposed rates, rating formulas, reimbursement formulas, Health Care Provider payment rates, business of Keystone First and/or its Customers
- Information not generally known to the public upon which the goodwill, welfare and competitive ability of Keystone First and/or its Customers depend, information regarding product plans and design, marketing sales and plans, computer hardware, software, computer systems and programs, processing techniques, and general outputs
- Information concerning Keystone First 's business plans
- Information that could help others commit Fraud or sabotage or misuse Keystone First 's products or services

Procedure

1. Associates, Consultants and Contractors may use Confidential or Proprietary Information and may disclose Confidential or Proprietary Information internally within Keystone First only as necessary to fulfill the responsibilities of their respective position.
2. Confidential Information which is specific to an Associate or Health Care Provider may not be released by Keystone First to another party, except as permitted or required by law or regulation, without first obtaining the written consent of that individual. PHI may not be disclosed, other than as permitted or required by law or regulation, or for purposes of treatment, payment or health care operations, without first obtaining a written Authorization as required by HIPAA, or other form of consent as may be required by state law. If an individual is unable to make his/her own decision regarding consent, a legal guardian or other legally authorized representative must provide written consent or an Authorization on the individual's behalf.
3. Associates, Consultants or Contractors, may not disclose Confidential or Proprietary Information to persons or organizations outside Keystone First, unless otherwise required by law or regulation or approved by the Legal Affairs Department. Associates, Consultants or

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Contractors may not make any direct or indirect communication of any kind with the press or any other media about the business of Keystone First without express written approval from the Communications Department.

4. Information that pertains to Keystone First's operations may be disclosed to Keystone First's general partners, Independence Blue Cross and Blue Cross Blue Shield of Michigan, d/b/a Keystone First, on a need to know basis; provided, however, that Confidential Information and Proprietary Information belonging or pertaining to a Customer may be disclosed ONLY to representatives of that Customer.
5. Any Associate, Consultant or Contractor who is approached with an offer of Confidential Information including PHI or Proprietary Information to which he/she should not have access and/or which was improperly obtained must immediately discuss the matter with his/her supervisor, an attorney in the Legal Affairs Department, the Chief Compliance Officer or the Internal Auditor.
6. All Associates, Consultants and Contractors must review and familiarize themselves with all departmental or any other Keystone First policies and procedures applicable to confidentiality issues arising within the course of performing their job duties.
7. Each Associate's, Consultant's, and Contractor's level of access to the information maintained in Keystone First's computer system is determined by the Information Services Department, based upon the individual's department and job duties. Associates are to access and distribute data electronically only in accordance with instructions given by the Information Services or the Corporate Compliance departments. All Associates, Consultants and Contractors are required to comply with the Information Services policies and procedures regarding security and access to data, electronic mail and other information systems.
8. Associates, Consultants and Contractors must also follow reasonable confidentiality restrictions imposed by previous employers and not use or share that employer's confidential information with Keystone First.
9. All Consultants/Contractors, including those who are members of Keystone First committees, will sign a confidentiality and non-disclosure agreement for the protection of Confidential Information and Proprietary Information.
10. All agreements with Network Providers, Consultants and Contractors will include confidentiality provisions that are consistent with this Policy and Procedure and that require, at a minimum, that the Provider/Subcontractor comply with all federal and state statutes and regulations regarding the disclosure of Confidential Information and otherwise maintain Keystone First's Confidential Information and Proprietary Information as confidential. The material elements of this policy and procedure will be communicated to participating Network Providers via Keystone First's Network Provider agreements and Network Provider manuals. To the extent that a Health Care Provider, Consultant or Contractor is a Business Associate pursuant to HIPAA, such Health Care Provider, Consultant or Contractor must execute a Business Associate agreement governing the Business Associate's use and disclosure of Protected Health Information as required by HIPAA.
11. The Legal Affairs and/or Corporate Compliance Department should be contacted whenever issues of confidentiality and/or disclosure of Confidential Information or Proprietary Information arise which are not clearly addressed in the Keystone First Confidentiality Policy or other Keystone First policies and procedures.
12. The Chief Compliance Officer will report to the Compliance and Privacy Committee, all Member, Health Care Provider and Associate complaints regarding confidentiality as well as

the resolution of such complaints. The Compliance and Privacy Committee will determine if operational practices should be altered to prevent or reduce the risk of future concerns.

Provider Protections

Keystone First shall not exclude, discriminate against or penalize any Health Care Provider for its refusal to allow, perform, participate in or refer for health care services, when the refusal of the Health Care Provider is based on moral or religious grounds. The Health Care Provider must make information available to Members, prospective Members and Keystone First about any such restrictions or limitations to the types of services they will/will not make referrals for or directly provide to Keystone First Members, due to religious or moral grounds.

Health Care Providers are further protected in that no public institution, public official or public agency may take disciplinary action against, deny licensure or certification or penalize any person, association or corporation attempting to establish a plan, or operating, expanding or improving an existing plan, because the person, association or corporation refuses to provide any particular form of health care services or other services or supplies covered by other health plans, when the refusal is based on moral or religious grounds. Keystone First will not engage in or condone any such discriminatory practices.

Keystone First shall not discriminate against or exclude from Keystone First's Provider Network any Health Care Provider because the Health Care Provider advocated on behalf of a Member in a Utilization Management appeal or another dispute with Keystone First over appropriate medical care, or because the Health Care Provider filed an appeal on behalf of a Keystone First Member.

Keystone First does not have policies that restrict or prohibit open discussion between Health Care Providers and Keystone First Members regarding treatment options and alternatives. Keystone First encourages open communication between Health Care Providers and our Members with regard to all treatment options available to them, including alternative medications, regardless of benefit coverage limitations.