



Substitute Providers: Ensuring Continuity of Care for Medicaid Patients (HB 2598 / SB 6358)

Background

Hospitals and health clinics often use substitute providers to fill in when regular providers are absent due to family or medical leave, vacation or continuing education. For the first 60 days, Medicaid Managed Care Organizations (MCOs) will reimburse hospitals and clinics for substitute services. After 60 days, substitutes need to become fully credentialed with the MCO. Getting credentialed can take months - so even if a substitute provider begins the process immediately, it can leave a gap between the 60-day mark and the approval of the application.

Medicare solves this problem by reimbursing for services to when the credentialing application was submitted. However, in many cases, MCOs will not reimburse until an application is approved. Hospitals must either pay for substitute services during this gap period or opt to not to use the substitute, leaving the position open and reducing patients' access to care.

Hospitals and clinics are also unable to use substitute providers to stand in for retiring providers or during recruitment for a permanent position. In rural communities especially, recruiting for new physicians can take several months, leaving them without the providers needed to care for patients. Further, only physicians are currently substitute providers, and they can only cover physician roles. Hospitals and clinics in rural communities often use highly trained mid-level providers — such as advanced registered nurse practitioners and physician assistants — to deliver care. Without the ability to use substitute providers in these situations, the ability of these rural organizations to respond to the health care needs in their community is stifled.

WSHA Position

WSHA strongly supports House Bill 2598/Senate Bill 6358 to ensure seamless access to care for patients served by Washington's hospitals and rural providers, through three major changes:

- 1) Requiring MCOs to provide reimbursement backdated to the credentialing application submission date, as long as the application is later approved for substitute providers staying longer than 60 days. This would follow current Medicare policy.
- 2) Allowing hospitals and rural providers to use substitute providers while recruiting for an open position. This ensures they can be responsive to patient needs when a provider retires or when they are trying to recruit for a permanent role.
- 3) Allowing hospitals and rural providers to use advanced registered nurse practitioners and physician assistants as substitute providers.

Key Messages

- Substitute provider regulations can be especially challenging for rural communities, where it can take a long time to recruit new providers and where nurse practitioners and physician assistants often deliver care. Rural facilities often don't have special arrangements with MCOs to expedite the credentialing process.
- Medicare reimburses back to the application submission date, as long as certain conditions are met. Requiring Medicaid to do the same for substitute providers would ensure consistency and eliminate this gap in these unique situations.
- If a credentialing application is rejected, this policy does not apply. MCOs retain the right to refuse any provider from their network, if the provider does not meet their requirements.
- Expanding substitutes to include advanced registered nurse practitioners and physician assistants would ensure access to care for Medicaid patients.

Contact Information

Lauren McDonald
Policy Director, Health Access
Laurenm@wsha.org | 206.577.1821

Lisa Thatcher
WSHA Lobbyist
Lisathatcher@comcast.net | 253.686.8746