Medicaid Provider/Facility Application Fees

Frequently Asked Questions
June 12, 2014 -- REVISED

PROGRAM BACKGROUND

Section 6401(a) of the Affordable Care Act (ACA) requires an application fee to be imposed on each "institutional provider of medical or other items or services and suppliers." The fee is to be used to cover the cost of program integrity initiatives including the cost of screening associated with provider enrollment processes, such as those under section 1866(j) and section 1128J of the Social Security Act.

The fee is only applicable to certain institutional providers at each separate service location. Individual physicians and non-physician practitioners are not subject to the fee. The fee amount is established by the Centers for Medicare & Medicaid Services (CMS) which may be adjusted annually. For 2013, the application fee was $532. On September 1, 2014, DCH will increase the fee to $542.

At the current time, the application fee is only being assessed at enrollment revalidation. On September 1, 2014, DCH expects to assess the application fee at initial enrollment and reenrollment, as well as enrollment revalidation. Providers who have paid the application fee to Medicare or another state’s Medicaid or Children’s Health Insurance Program (CHIP) are not required to pay the fee to DCH.

DCH began collecting the application fees in April 2014 when the Georgia Medicaid Management Information System (GAMMIS) provider enrollment system changes were completed. Institutional providers who are required to pay the fee will be able to make a secure online payment while completing their revalidation applications.

The payment must be made using HP Convenience Pay. Institutional providers can pay the fee by debit/credit card. HP Convenience Pay accepts American Express, Discover, MasterCard, and Visa. Other types of payment will not be accepted. Providers’ revalidation applications will not be processed until the fee is paid or proof of previous payment is provided. Providers subject to the fee may request a hardship waiver exception by submitting a written request to DCH.

Further details are addressed in these Frequently Asked Questions about Medicaid Provider/Facility Application Fees.

For more information, visit the GAMMIS web portal at: www.mmis.georgia.gov. Click on Provider Information/FAQ for Providers.

June 2014
1. Why do I have to pay a Medicare and/or Medicaid/PeachCare for Kids enrollment application fee?

Section 6401(a) of the Affordable Care Act (ACA) requires a fee to be imposed on each "institutional provider of medical or other items or services and suppliers." The fee is to be used to cover the cost of program integrity initiatives including the cost of screening associated with provider enrollment processes, such as those under section 1866(j) and section 1128J of the Social Security Act. The fee is only applicable to certain institutional providers at all service locations.

2. What institutional providers are required to pay the application fee at revalidation enrollment?

Independent laboratories, pharmacies, durable medical equipment, orthotics and prosthetics, EMS (Ground and Air), community mental health facilities, Federally Qualified Health Centers, Hospital-based Rural Health Clinics, Freestanding Rural Health Clinics, Perinatal Case Management facilities, Georgia Pediatric Program/In-Home Skilled Nursing and Georgia Pediatric Program/Medically Fragile Daycare facilities, TCM Adults AIDS (Facility), and At-Risk Incarceration facilities. On September 1, 2014, DCH expects to assess the application fee to hospitals, swing beds, nursing facilities, ICF/MR, home health agencies, family planning clinics, ambulatory surgical centers, hospice, and Dialysis (Technical).

Institutional providers who are enrolled in Medicare or another state’s Medicaid program are exempt from the application fee. To qualify for the exemption, institutional providers must be enrolled at the same service location address for Georgia Medicaid/PeachCare for Kids as they are for Medicare or another state’s Medicaid program.

3. How much is the fee?

For 2013, the fee is $532. In subsequent years, it will be adjusted by the percentage change in the Consumer Price Index. The amount of the fee is derived from a statutorily mandated formula as set by CMS. For 2013 and subsequent years, the fee is $532 adjusted by the percentage change in the Consumer Price Index. The fee is effective from January 1 to December 31 of a calendar year. The application fee is due upon the submission of a revalidation of enrollment request.

Based on the Consumer Price Index, CMS has increased the application fee for 2014 to $542. On September 1, 2014, DCH will increase the fee to $542. The amount will be included in the notification letter being sent to each provider.
4. May I request a waiver of the application fee?

Yes. A request for a hardship exception/waiver of the application fee shall be made at the time of submission of a Medicaid/PeachCare for Kids enrollment, re-enrollment, or revalidation Application. Providers shall prepare a Request for Hardship Waiver of Application Fee form, which can also be found at www.mmis.georgia.gov. Providers must describe the reason(s) that justifies a waiver of the application fee. The Medical Assistance Plans Division of DCH may waive the application fee if imposition of the fee would impede access to care. For revalidation, the provider shall upload an electronic or digital copy of the hardship waiver request.

CMS has sixty (60) days to approve or deny a hardship exception request. If the request for a hardship exception or waiver is denied by CMS, the provider will have thirty (30) days from the date of the denial letter to submit the application fee. A provider may appeal the denial of a hardship exception or waiver by following the provisions outlined in Part I, Chapter 500 of the Medicaid/PeachCare for Kids manual.

5. How do I pay my application fee?

Institutional providers who are required to pay an application fee will be able to make a secure on-line payment after completing their revalidation application. Payments shall be made online through HP Convenience Pay. Institutional providers can pay the fee by debit/credit card. HP Convenience Pay accepts American Express, Discover, MasterCard, and Visa. There is no additional service charge for these transactions. The transaction will contain an administrative fee; however, it will be included in the application fee. DCH or HP will not accept checks or money orders. All payments must be made through HP Convenience Pay.

To pay the application fee immediately after successfully submitting your revalidation application, click on the “Pay Required Revalidation Fee” link. To pay the required fee at a later time, go to the GAMMIS web portal at www.mmis.georgia.gov. Click on Provider Enrollment/Enrollment Application Status and then enter the ATN and the exact name of the business. Click on the “Pay Required Revalidation Fee” link to submit a payment. DCH will not finalize a revalidation application until the application fee is paid.

If the provider is not enrolled in Medicare or another state at the service location address specified in the revalidation notice, they should answer “No” to the questions regarding whether they are enrolled in Medicare or another state. If the provider mistakenly answers “Yes” regarding their enrollment in Medicare or another state, the system will not allow them to pay the application fee. If this occurs, the provider should contact HP and request that the revalidation application be denied. Once denied, the provider can then prepare and submit another revalidation application.

6. What happens if the application fee is not paid?

The division will not process a revalidation application unless it is accompanied by the application fee or by a request for a hardship exception or waiver. Within thirty (30) days from
the date of submission of a revalidation application, DCH may reject the revalidation enrollment application that is not accompanied by the application fee or by a Request for Hardship Waiver of Application Fee form requesting a hardship exception or waiver of the application fee. DCH shall suspend or terminate any current provider who fails to pay the revalidation application fee within the designated timeframe.

7. Where may I obtain more information about the application fees?
Providers can review Part I, Section 105.3, Medicaid/PeachCare for Kids. Additional information can be found at 42 CFR 455.460.

For more information access The Centers for Medicare & Medicaid Services website at www.cms.gov. For questions, call HP at 800-744-4456 or email DCH at ApplicationFeeEnrollment2@dch.ga.gov.