

3. Direct Care and Contract Health Services

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3.1 Direct Care Services

A person may be regarded as within the scope of the Indian Health Program if he/she is not otherwise excluded by provision of law and is of American Indian and/or Alaska Native descent, as evidenced by the specific criteria stated in Section 2.2 of CFR 42, 36 & 36A.

3.1.1 Direct Care Policy

It is the policy of the Indian Health Service (IHS) to insure that needed health services are available to each person who is eligible for the IHS Program. The IHS is primarily responsible for

- Providing all direct services available at an IHS facility to any eligible person
- Verifying and entering alternate resources, which include Medicare, Medicaid, Private Insurance, State Children's Health Insurance Program, SSI, and other State, Federal, and private sources.
- Coordinating services to all persons within the scope of the Indian Health Program from existing sources.
- Identifying and determining whether or not the eligible person may be eligible for an alternate resource, which include County, State or Federal programs, such as Medicaid, State Children's Health Insurance Program (SCHIP); Medicare, Veterans Administration Hospital, U.S. Army, Air Force, Navy, Public Health Service Hospitals, and others; official or voluntary health Organizations; employee health insurance; accident insurance; or others.
- Billing all third-party payers and recording revenue in compliance with the Accounts Receivable policy.

3.1.2 Provision of Direct Care Services

- Medical care and treatment services including hospitalization are provided as available in IHS facilities or on a referral basis for eligible persons in accordance with the Contract Health Program funding and priorities.
- The preventive and health promotion services at all facilities shall be made available to all persons within the scope of the Indian Health Program. As part of such service, those persons who are able and willing to utilize local Indian Health Service community preventive health services will be encouraged to do so.

- When care from a Contract Health Service vendor is necessary, by Law IHS must first use alternate resources, if they are available. If an alternate resource may be available, IHS is required to refer the patient to make application for the resource, for example, Medicaid. Based on the determination, a decision will be made whether or not IHS will make a contract health services (CHS) payment. Also, the patient must provide proof of private insurance.

In the event the individual's condition is such that immediate care and treatment are necessary, services may be provided pending determination of whether or not the individual is within the scope of the program and whether or not he is within priority. In these cases, a medical referral is made without authorization for payment.

If a patient is not CHS eligible, IHS still has the obligation to initiate a referral to a non-IHS facility or provider. In such cases IHS is not obligated to make payment to the non-IHS facility or provider; the patient is responsible for the payment.

- When alternate resources are available to the patient, the Service will require use of such services prior to authorizing any IHS resources, and will maintain relationships with agencies to facilitate the utilization of those resources. Every effort should be made to make the most effective use of alternate resources, including other Federal medical facilities whenever appropriate.
- The cost of medical and related health services for persons in the custody of (non-Indian) law enforcement agencies is not the responsibility of the IHS, but is the responsibility of that particular agency.

3.1.3 Denial of Direct Care Services

The CEO or his designee may deny services to persons who according to his determination do not meet the eligibility criteria of the IHS program

Note: If a non-eligible patient presents for emergency care, appropriate triage and assessment services will be provided according to the EMTALA Regulation.

3.2 Contract Health Services (CHS)

Contract Health Services (CHS) are provided by referral providers outside the IHS direct care system. Determination of Eligibility for the CHS program is the responsibility of the CHS staff. This program is has its own set of Laws, regulations and policies. For more information, go to this website:

http://www.ihs.gov/PublicInfo/Publications/IHSManual/Part2/Pt2_Chpt3/pageone.htm

3.2.1 Contract Health Services Policy

If the patient requires services outside of IHS and the alternate resource cannot or will not provide the necessary assistance, the Service may provide it by referral, based on the CHS medical priorities and funding.

Eligible persons, within the scope of the Indian Health program in one area, will be provided available medical and/or other related direct services by any other IHS facility in which they may require health services. For services provided outside IHS direct care, the authorization or denial of contract Health services shall be the responsibility of the Service Unit /facility in which the services are rendered. The Area in which the services are rendered shall apply the same policies and have the same notification requirements for persons from other Areas as are applied to those persons within the Area.

3.2.2 Provision of Contract Health Services (CHS)

All direct services available at any IHS facility will be provided as needed to any eligible person. Services needed but not available as direct service at the facility will be provided through the Contract Health Service Program, depending on:

- the person's medical need as determined by a physician whenever possible
- the actual availability and accessibility of alternate resources
- the financial resources available to the service facility at that time
- CHS program eligibility, medical priorities, and funding

Contract Health services are divided into five levels of services, based on medical priority, as discussed in Part 2, Chapter 3, Section 3.3, "CHS Medical Priority Criteria."

3.2.3 Denial of Contract Health Services

The CEO or his designee may deny services to persons, who according to his determination, do not meet the eligibility criteria of the IHS program. When the services are denied, a written notice of such denial will be given to the person. Such written notice will include:

- The basis for denial, listing the specific circumstances and facts upon which the priority decision was made
- The name of the CEO or of his designated representative
- The statement, "If you have any information which may affect this decision, you may appeal this decision with a copy of this letter for reconsideration by the Area Director."

A copy of each notice of denial will be retained at the IHS facility, preferably in the person's case folder, and a copy will be forwarded to the Area office.

3.3 CHS Medical Priority Criteria

Contract Health Services (CHS) are divided by medical priority into five levels of services:

- Level I - Emergent/Acutely Urgent Care Services
- Level II - Preventive Care Service
- Level III - Primary Secondary Care Services
- Level IV - Chronic Tertiary and Extended Care Services
- Level V - Excluded Services

Detailed information related to CHS medical priority is located in the *Indian Health Manual, Part 2 - Services to Indians and Others; Chapter 2 Contract Health Services*, Section 3.17, "Medical and Dental Priorities," which is available at this website:

<http://www.ihs.gov/PublicInfo/Publications/IHSManual/Part2/pt2chapt3/pt2chpt3.htm>

3.3.1 Level I - Emergent/Acutely Urgent Care Services

Emergency and/or acutely urgent care services include those diagnostic or therapeutic services that are necessary to prevent the immediate death or serious impairment of the health of the individual, and which because of the threat to the life or health to the individual, necessitate the use of the most accessible health care that is available and capable of furnishing such services. Also included are diagnosis and treatment of injuries or medical conditions that, if left untreated, would result in uncertain but potentially grave outcomes.

Categories of service include:

- Emergency room care for emergent/urgent medical conditions, surgical conditions, or trauma
- Emergency inpatient care for emergent/urgent medical conditions, surgical conditions, or acute injury
- Renal dialysis, acute and chronic
- Emergency psychiatric care involving suicidal persons or those who are a serious threat to themselves or others
- Services and procedures necessary for the evaluation of potentially life threatening illnesses or conditions
- Obstetrical deliveries and acute perinatal care
- Neonatal care

3.3.2 Level II - Preventive Care Service

Preventive care service includes primary health care that is aimed at the prevention of disease or disability. This includes services proven effective in avoiding the occurrence of a disease (primary prevention) and services proven effective in mitigating the consequences of an illness or condition (secondary prevention). Level II services are available at most IHS facilities.

Categories of service include:

- Routine prenatal care
- Non-urgent preventive ambulatory care (primary prevention)
- Screening for known disease entities (secondary prevention)
- Screening mammograms
- Public Health interventions

3.3.3 Level III - Primary Secondary Care Services

Primary secondary care services include those inpatient and outpatient care services that involve the treatment of prevalent illnesses or conditions that have a significant impact on morbidity and mortality. This involves treatment for conditions that may be delayed without progressive loss of function or risk of life, limb, or senses. It includes services that may not be available at many IHS facilities and/or may require specialty consultation.

Categories of services include:

- Scheduled ambulatory services for non-emergent conditions
- Specialty consultations in surgery, medicine, obstetrics, gynecology, pediatrics, ophthalmology, ENT, orthopedics, and dermatology
- Elective, routine surgeries that have a significant impact on morbidity and mortality
- Diagnostic evaluations for non-acute conditions
- Specialized medications not available at IHS facility, when no suitable alternative exists

3.3.4 Level IV - Chronic Tertiary and Extended Care Services

Chronic tertiary and extended care services are those inpatient and outpatient care services that (1) are not essential for initial/emergent diagnosis or therapy, (2) have less impact on mortality than morbidity, or (3) are high cost, elective, and often require tertiary care facilities. These services are not readily available from direct care IHS facilities.

Careful case management by the service unit CHS committee is a requirement, as is monitoring by the Area Chief Medical Officer (CMO), or his/her designee. Depending on cost, the referral may require concurrence by the CMO.

Categories of service include:

- Rehabilitation care
- Skilled nursing home care
- Highly specialized medical services/procedures
- Restorative orthopedic and plastic surgery

- Elective open cardiac surgery
- Organ transplantation (HCFA/CMS approved transplants only)
- Care provided under the direction of an advance directive

3.3.5 Level V - Excluded Services

Excluded services and procedures that are considered purely cosmetic in nature, are experimental or investigational, or have no proven medical benefit.

- **Cosmetic procedures** – Payment for certain cosmetic procedures may be authorized if these services are necessary for proper mechanical function or psychological reasons. Approval from the CMO is required.
- **Experimental and other excluded services** – Payment is not authorized, unless a formal exception is granted by the Office of Public Health (OPH).

Note: Limitations of funds, facilities, or staff may result in different levels of direct services available at IHS facilities.
