



State of Connecticut
Department of Social Services
Medical Care Administration
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Policy Transmittal 2004-02
January 2004

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A handwritten signature in black ink, appearing to read "Michael P. Starkowski".

Michael P. Starkowski
Deputy Commissioner

February 1, 2004
Effective Date

TO: All Hospital Providers and MCO's

SUBJECT: Physician Direction for Advanced Practice Registered Nurses (APRNs), Licensed Nurse-Midwives (LNMs) and Physician Assistants (PAs) in Outpatient Hospital Settings

This Policy Transmittal clarifies the Department's position concerning what is necessary to establish physician direction of the clinical activities of licensed APRNs, LNMs and PAs in hospital outpatient settings.

Both the Department's Medical Services Policy (Section 150.2.E.1.a.) and the Code of Federal Regulations (42 C.F.R. § 440.20(a)(2)) provide that, in order for outpatient hospital services to be reimbursed under the Medicaid program, they must be performed "by or under the direction of a physician or a dentist." The Department's position is that, as long as there are agreements in place between APRNs and their collaborating physicians; LNMs and the obstetrician-gynecologists with whom they have a clinical practice relationship; and PAs and their supervising physicians, and these agreements comply with all relevant statutes and regulations, services delivered in hospital outpatient settings where the care is provided by APRNs, LNMs and PAs may be reimbursed under the Medicaid program.

For the purpose of Medicaid reimbursement and post-payment reviews conducted after the effective date of this policy transmittal, a hospital will be considered to be in compliance with this requirement if there are signed and dated agreements on file at the hospital documenting arrangements for coverage, liability, and either collaboration (for APRNs), a clinical practice relationship (for LNMs) or supervision (for PAs) that have been agreed to by the physicians and the APRNs, LNMs or PAs. The agreements must be signed and dated by the physicians and the APRNs, LNMs or PAs; comply with the practitioners' licensing statutes; and must be renewed not less than once per calendar year. Any services provided to Medicaid clients by APRNs, LNMs or PAs in the absence of such an agreement or absent

the signature of a physician on each medical record for each service, should not be billed to the Department and shall be subject to disallowance on post-payment review.

For APRNs, "collaboration" means a mutually agreed upon relationship between an advanced practice registered nurse and a physician who is educated, trained or has relevant experience that is related to the work of such advanced practice registered nurse as outlined in section 20-87a(b) of the Connecticut General Statutes.

For LNMs, the agreements documenting the clinical practice relationship shall include the mutually agreed upon medical guidelines and protocols that are required to be filed with the Department of Public Health pursuant to section 20-86b of the Connecticut General Statutes. There must also be documentation at the hospital that LNMs are practicing within a health care team and directed by a qualified obstetrician-gynecologist.

For PAs, there shall be on file at the hospital a copy of the written protocols established by the supervising physician concerning implementation of delegated functions, as required by section 20-12d(a) of the Connecticut General Statutes. In addition, documentation that the supervising physician has registered with the Department of Public Health as a supervising physician, in accordance with section 20-12c(a) of the Connecticut General Statutes, shall be on file at the hospital.

Nothing in this policy transmittal shall be construed to have an impact on audits conducted by the Department's Quality Assurance division, which were completed prior to the date of issuance.

Distribution: This policy transmittal is being distributed to holders of the Connecticut Medical Assistance Program Provider Manual by Electronic Data Systems. Managed Care Organizations are requested to send this information to their network providers and subcontractors.

Responsible Unit: DSS, Medical Care Administration, Policy and Regulations, Evelyn Sebastian, Medical Policy Consultant at 860-424-5145.

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