



## PUBLIC PROTECTION CABINET

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*The following guidance is to advise the reader of the current position of the Kentucky Department of Insurance (“the Department”) on the specified issue.*

FROM: Sharon P. Clark, Commissioner

RE: Hospital Services during the COVID-19 State of Emergency

DATE: April 30, 2020

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The Kentucky Department of Insurance (“Department”) issues this guidance pursuant to Executive Order 2020-220, State of Emergency Relating to Insurance. This guidance will be in effect through May 27, 2020, in accordance with the Kentucky Healthcare Reopening Plan. The Department will re-evaluate the implementation of the plan and may extend this guidance beyond that date if needed, to serve the interest of the public health, safety, and welfare.

On March 9, 2020, Governor Andy Beshear issued Executive Order 2020-220 giving the Commissioner of Insurance the authority to temporarily waive, suspend, and/or modify the operation of any statute or administrative regulation currently in place under the purview of the Kentucky Department of Insurance in order to best serve the interest of the public health, safety, and welfare during the state of emergency related to COVID-19 declared on March 6, 2020.

The Department recognizes the impact that the COVID-19 pandemic and Executive Orders have had on health care facilities and the insurance industry. To assist in focusing resources on the treatment of those diagnosed with COVID-19, the Department is waiving, suspending, and/or modifying the following practices:

1. Insurers shall not require preauthorization for the transfer of patients via ambulance to other facilities for the purpose of transferring a patient not diagnosed with COVID-19 to make a

bed available for a patient diagnosed with COVID-19. Should the transfer of the patient involve a non-participating provider, this waiver is contingent on the non-participating provider and the insurer negotiating reimbursement for the services and holding the member harmless from paying the balance of the non-participating provider's billed charges.

2. Preauthorization and concurrent review for all inpatient services are suspended. However, insurers may require notification of inpatient admissions and services in order to properly identify the status of members and provide for appropriate care management services. Further, insurers maintain the ability to perform retrospective review of these inpatient services when the state of emergency is lifted.
3. All audit activities, recoupments, and appeal timeframes for appeals of post-service claims for inpatient services, are suspended through the state of emergency.

Additionally, the Department encourages insurers to consider the following:

1. Expediting credentialing for providers that will be providing services specific to the COVID-19 pandemic such as medical students, retirees, licensees from other states, and licensees temporarily acting outside their scope of practice with permission from their licensing board.
2. Providing clear and timely guidance to facilities on the proper billing of claims for extraordinary situations related to the treatment of COVID-19 patients including proper place of service codes for services that have been offered outside of the traditional setting.
3. Working with hospitals that are struggling financially as a result of the Executive Orders to suspend or limit elective procedures by advancing claim payments or expediting processing of existing claims.

/s/ Sharon P. Clark

Sharon P. Clark, Commissioner  
Kentucky Department of Insurance

