

surgeon could stitch the ear together. The family drove an hour north to a large hospital in Bangor, Maine where the suturing was performed. At the time of the child's admission to the larger hospital, the petitioner presented both her private insurance and her Vermont Medicaid card.

3. PATH provides its Medicaid beneficiaries with a "Handbook" which advises them in an emergency to "go to the nearest emergency room right away" and "to call your PCP as soon as you can." (Handbook, p. 5).

4. After the petitioner's private insurance paid 70 percent of the hospital and physician bill, she received a statement for the balance. The biggest balance was with the Bangor hospital and the petitioner asked that hospital to seek payment of the balance through Vermont Medicaid. Apparently the hospital did send a bill to Vermont Medicaid but the hospital was not recognized as a "Medicaid provider" and the bill was not paid.

5. After the petitioner appealed the non-payment, PATH contacted the hospital and asked it to agree to become a "Medicaid provider" for this patient so that it could make a payment on the balance of the bill. The provider agreement essentially requires the provider to agree to accept Medicaid rates and not to "balance bill" the insured. Although this

large hospital is a "Medicaid provider" for the state of Maine, it refused to sign an agreement to become a Vermont Medicaid provider, even for this single incident.

6. PATH notified the petitioner that it cannot pay the hospital unless it agrees to become a Vermont Medicaid provider. The petitioner has appealed saying that PATH must pay the full amount of the balance, \$1,021.70, because she followed all the procedures in the handbook with regard to obtaining benefits.

ORDER

The decision of PATH is affirmed but PATH is ordered to take further action as set forth in this opinion.

REASONS

This case is not one in which PATH has refused to pay for the petitioner's emergency out-of-state treatment. Rather it is one in which the out-of-state hospital facility has refused to accept the petitioner's Vermont Medicaid coverage after the service has been rendered. Under regulations adopted by PATH, out-of-state hospitals may be paid for emergency services rendered to Medicaid recipients if those hospitals are approved for Medicare or Medicaid participation by the state agency that administers the Medicaid program. M500. However,

those facilities must also agree to accept Medicaid reimbursement rates and agree that payments made will be deemed to be payment full with no further attempt to collect from the insured. M501 and M510. PATH is not authorized to make payments to hospitals at their published rates if they choose not to participate in the Medicaid program.

Although PATH is correct that it cannot pay the hospital under these circumstances, the petitioner is left holding the proverbial bag. Therefore, PATH should be required to notify the hospital that it has offered payment under its regulatory provisions and as the hospital has refused to take the payment, it considers that its insured has a complete defense to any action to collect the bill. PATH should also contact the Maine Medicaid division to notify it of this action by its state approved hospital and ask it to apply what pressure it can to the hospital to accept Vermont Medicaid for this patient.

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