

Provider Hardship/Stabilization Assistance Request

Hurricane Helene requests due November 30, 2024

Providers may request hardship payments due to the impacts of natural disasters. Providers can initiate a hardship advance payment request by completing the below form and emailing it to NC_provider@healthybluenc.com.

Hardship payments are based on need and determined by reviewing six months of Medicaid claims data and calculating an average for one month.

As part of our *Hardship Policy*, a portion of the funds received may not be required to be paid back and may be converted to stabilization payments. Forgiveness of hardship payments is largely intended to respond to natural disasters such as Hurricane Helene or other events impacting multiple providers at once, and decisions are made on a relative-need basis. Stabilization payments are not additional payments. They are a conversion of an existing hardship payment to loan forgiveness.

Hardship eligibility criteria:

- Enrolled in NCTracks and contracted with Blue Cross and Blue Shield of North Carolina to provide service to Healthy Blue members
- Need urgent assistance to relieve financial strain due to impacts of natural disasters
- Unable to access sufficient relief through other means, such as business continuity insurance or government programs
- Complete attestation of need

Date of request		TIN*	
Provider/practice name		NPI	
Service location		Service location county	
Staff contact name		Staff contact phone	
Staff contact email		Dollar amount of hardship request	\$
* One application per TIN			

<https://provider.healthybluenc.com>

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Explain why hardship payment(s) are needed. Include specific details about the impact on operations, lost volume, additional costs, and ability to provide services to Medicaid members.

Forgiveness of hardship payments will be based on the following criteria:

1. *Provider hardship payments* are defined as advance payments to providers at risk of not meeting financial obligations due to claim payment issues. Hardship payment advances operate as 0% interest loans that must be repaid within 90 days of receipt. Hardship payments are 1 monthly payment of average claim revenue based on a six-month look back. Providers may accept this payment in full as hardship payment or have it reduced by revenue already received during the period under consideration.

Provider stabilization is defined as the forgiveness of some or all hardship payments. The amount of forgiveness will be determined by Blue Cross NC senior leadership through the application of a comparison of 1 monthly payment of average claim revenue to claims revenue post-Hurricane Helene and additional proprietary criteria. The recipient providers must operate (in full or in part) in the geographic region included in FEMA's disaster declaration, and their operations must be impacted by a natural disaster.

2. Providers must either submit a hardship payment request directly to Blue Cross NC using the application or must submit an application through the NC Medical Society. For month 1, if a provider has experienced a 20% decrease in claims payments 30 days after the natural disaster compared to a one-month average claims payments before the disaster, the hardship payment will convert to a one-time approved stabilization payment with debt forgiveness, representing the 20% decrease in claim revenue only, without the commitment of repayment. The monthly average will be determined by reviewing six months of Medicaid claims data prior to the natural disaster. See *Calculation methodology* below.
3. If a provider has not experienced a 20% decrease in claims payments 30 days after the natural disaster, the provider will not receive stabilization. The provider may accept a hardship payment that must be repaid within established timelines.
4. The review period will be 90 days after the hardship payment is paid to a provider. If a provider has filed a portion of claims during the review period, Blue Cross NC will work

with the provider to estimate the outstanding claim amounts or may extend the review period until the provider is able to submit the impacted claims corresponding to the time period.

5. Providers will receive either a hardship or stabilization payment for the first month of the 90-day review period. Providers receiving stabilization payments have the option of continuing to receive hardship payments for an additional one or two months, which will be eligible for stabilization under the same methodology described in this policy.
6. Hardship payments to providers who, by the end of the review period, return to claim payments at 80% or greater than their prehardship payment claim revenue will have their hardship payment retained as a hardship payment and will be required to pay them back.
7. Hardship payments to providers who, by the end of the review period, return to claim payments at less than 80% of their prehardship payment claim revenue may have some or all their hardship payment converted to provider stabilization representing up to 20% of claim revenue loss for months 2-3. Payment forgiveness will be determined by Blue Cross NC leadership through application of proprietary criteria.
8. Blue Cross NC will not discriminate on the basis of race, color, national origin, age, sex, sexual orientation, gender identity, religion, creed, disability, or other traits as outlined in the managed care contracts.
9. Hospital systems/affiliates are exempt from stabilization.
10. All requests related to Hurricane Helene must be submitted for consideration by November 30, 2024.

Payment Type	Definition	Discussion
Hardship payment	Advance payments to providers at risk of not meeting financial obligations due to claim payment issues.	0% interest loans that must be repaid within 90 days of receipt. Repayment timeline flexibility will be considered based on need.
	Providers may continue to receive Hardship Payments for an additional 1 or 2 months after receiving stabilization payment.	Providers must submit a hardship payment request directly to Blue Cross NC using the application, or through the NC Medical Society.
	Providers with claim payments at 80% or greater than their pre-hardship payment claim volumes should repay.	If the provider has not experienced a 20% decrease in claims payments 30 days post-Hurricane Helene, the Hardship Payment must be repaid.

Payment Type	Definition	Discussion
		Review period is 90 days post Hardship Payment.
Stabilization Payment	Partial or full forgiveness of a Hardship Payment.	Determined by Blue Cross NC senior leadership using 80% threshold and proprietary criteria.
		Providers must operate in geographic regions under FEMA’s disaster declaration and must be affected by Hurricane Helene.
	All providers will be reviewed within the 90-day review period. Providers may get extensions for the review if necessary.	If the provider has experienced a 20% decrease in claims payments 30 days post–Hurricane Helene, a portion of the hardship payment converts to a one-time stabilization payment without the necessity to repay.
		If claim payments are less than 80% of pre–hardship payment claim volumes by the end of the review period, some or all of the hardship payment may be converted to stabilization payment with debt forgiveness.

Calculation methodology

These formulas and examples will be used to calculate stabilization threshold percentage and forgiveness.

1. Stabilization threshold formula: (Average 6-Month Claims Revenue) – (30-day Post–Hurricane Helene Claim Revenue by Date of Service) = (Claim Revenue Threshold for Stabilization)
2. Stabilization forgiveness: Stabilization forgiveness shall be the net difference between the hardship payment amount and the average 6-month claim revenue minus revenue received by DOS post–Hurricane Helene.

Example:

Here is the calculation for a provider with \$10,000 in average revenues who received a \$7,000 hardship payment.

Stabilization threshold calculation:

- Average 6-month claims payment: \$10,000
- 30-day post–Hurricane Helene claim revenue by DOS: \$5,000
- Calculation: \$10,000 – \$5,000 = \$5,000 threshold or 50% reduction in claim volume, thus qualifying for stabilization.

Stabilization forgiveness calculation:

- Average 6-Month Claims Revenue: \$10,000
- 30-day post-Hurricane Helene Revenue: \$5,000
- Calculation: $\$10,000 - \$5,000 = \$5,000$ in stabilization forgiveness. This means that of the \$7,000 hardship payment, \$5,000 would be forgiven and \$2,000 would need to be repaid.

Note: The examples included herein are for educational purposes only. Blue Cross NC will evaluate each provider on an individual basis and is under no obligation to provide specific payment amounts based on the information herein.

Provider attestation of need

By signing this form, the provider represents and warrants:

- The individual submitting this form is duly authorized by the provider to submit this request on behalf of all entities sharing the TIN noted on this form.
- The receipt of any post-stabilization payment will not result in any increased utilization, unnecessary services, or payments by third-party payors, including federal healthcare programs. Any post-stabilization payment is not intended as an incentive for referrals of government healthcare program business.
- The provider acknowledges that the health plan is relying on the correctness of the submitted information to determine a need for stabilization assistance.
- The provider acknowledges that submission of its request is not a guarantee of payment and that decision, including the amount of stabilization assistance, will be made by the health plan.
- All statements and information provided are true.

Signature

Date