Department:	BPO Operations	**Original Approval:**	05/26/2022
Policy No:	OP691	**Last Approval:**	05/06/2026
Policy Title:	Claims Payment During a Disaster or PHE Policy		
Approved By:	Donna Arcieri, VP BPO Operations		
Dependencies:	Obtaining Medicare or State Benefits During a Federal or State Disaster or Other Public Health Emergency Policy - UM231 Pharmacy Access During a Federal Disaster Policy - PM514 Business Continuity and Disaster Recovery Policy - IT110 Coverage Of Home Health Aid DME For High-Risk Pregnancies Or High Risk Infants During Major Disaster Declarations (for AH-IMC) Policy - MM187		

Purpose

This explains the Community Health Plan of Washington (CHPW) policy to support the terms and conditions of claims payment during a federal or state disaster or public health emergency (PHE). This policy applies for all CHPW lines of business and for all providers (contracted and non-contracted) furnishing benefits to CHPW enrollees residing in the area of the disaster or PHE.

CHPW posts this policy on its Medicare Advantage website, as required by the Centers for Medicare & Medicaid Services (CMS).

Policy

As used in this policy, the terms “emergency,” “PHE,” and “disaster” include events such as pandemics, earthquakes, wildfires, and bioterrorist attacks.

This policy applies during any declared emergency or disaster in Washington state; for example, if the governor of Washington state declares an emergency, or if FEMA issues a major disaster declaration in CHPW’s service area, or if the President declares a national emergency, or if the Secretary of Health and Human Services declares a public health emergency. CHPW’s BPO Operations department shall ensure appropriate and adequate processes for benefits, authorizations, and claims payment during declared emergencies or disasters.

In any declared emergency or disaster in Washington state, if CHPW is concerned about disruption of provision of needed benefits, CHPW may, without waiting for explicit guidance from the CMS, Washington State Health Care Authority (HCA), and/or Office of the Insurance Commissioner Washington State (OIC), voluntarily implement all, or portions, of the guidance detailed in this policy.

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Emergency Orders from State or Federal Agencies

CHPW shall ensure that it complies with any emergency orders issued by Washington State agencies such as the OIC or HCA, or federal agencies such as the CMS.

For system configuration, CHPW shall update the claims system once the issuing agency updates its policy. (CHPW does not configure the system with future termination dates for claims processing rules.)

Benefits

CHPW shall continue to provide benefits to our members during a disaster or PHE.

Temporary Accommodations

In order to provide administrative relief to providers as a result of their shifting focus to a disaster or PHE, CHPW may implement temporary accommodations or suspension of normal requirements, policies, and processes such as:

- Utilization Management (UM) processes; e.g., prior authorizations, hospital notifications, and referrals
- Provider credentialing and licensing
- Provider status

Accommodations may change at different points during the disaster or PHE.

Billing and Claims

CHPW processes and pays claims according to guidelines from the HCA for Apple Health plans, the CMS for Medicare Advantage plans, and the OIC for Apple Health and Cascade Select plans.

If applicable, providers should use the codes (HCPCS, CPT, diagnosis, etc.), and modifiers listed in the HCA and CMS policies and the associated billing guides when billing for services related to the disaster or PHE.

Billed amount: CHPW's standard policy is that we shall not pay over the billed amount for all lines of business.

Sequestration: The Medicare sequester reduces payments to providers by 2%. Lifting the sequester increases provider funding/payments. This includes physicians, hospitals, nursing homes, home health, and other types of care.

If the sequester is lifted as part of a congressional response to the disaster or PHE, CHPW shall follow suit.

Other claims processing rules: Other claims processing rules shall remain in effect; for example, system configuration that is set to deny if a required data element is missing, such as a missing National Drug Code (NDC). Claims that would deny for a duplicate, Claims Edit System (CES)

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claims editing rulesets, medical necessity, non-covered, or timely filing are not impacted; i.e., claims shall be denied as appropriate in those situations.

CHPW shall not make any exceptions for payment of services related to the disaster or PHE if the services were performed outside of the United States and are not covered by the member's program or plan.

Benefit limits and frequencies: CHPW shall ensure benefit limits and frequencies are applied accordingly.

Rate Increases

If applicable, CHPW shall implement any rate increases, per diem rates, or bonuses in accordance with guidance from the HCA, the CMS, and/or other federal and state authorities.

Medicare Advantage and Dual Plans

For Medicare Advantage plans, including the Dual Select and Dual Complete Special Needs Plans (DSNP):

- CHPW may, at its discretion, allow Part A/B and supplemental plan benefits to be furnished at specified non-contracted facilities.

  Note:
  Part A/B benefits must, per 42 CFR § 422.204(b)(3), be furnished at certified facilities.
- CHPW may, at its discretion, waive in full, or in part, requirements for authorization or pre-notification; and
- CHPW may, at its discretion, temporarily reduce plan-approved cost-sharing amounts. Furthermore, although CHPW is required to notify members 30 days in advance of plan changes, this 30-day notification requirement can be waived by CMS during a declared emergency provided all the changes (such as reduction of cost-sharing and waiving authorization) benefit the member.

Washington Apple Health and Cascade Select Plans

For all Apple Health and Cascade Select plans:

- CHPW may, at its discretion, allow plan benefits to be furnished at specified non-contracted facilities.
- CHPW may, at its discretion, waive, in full or in part, requirements for authorization or pre-notification; and
- CHPW may, at its discretion, temporarily reduce plan-approved cost-sharing amounts.

Resuming Normal Operations

CHPW shall resume normal operations once the emergency or disaster is over. Typically, the source that declared the disaster would clarify when the disaster ends.

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However, in the case of disasters declared by FEMA, if the disaster period has not closed 30 days from the initial declaration, and if CMS has not indicated an end date to the disaster, CHPW shall resume normal operations 30 days from the initial declaration.

The HCA reserves the right to assess each disaster or emergency on a case-by-case basis and issue further guidance supplementing or modifying the above guidance.

List of Appendices

A. Detailed Revision History

Citations & References

CFR	42 CFR §§422.100(m), 422.204(b)(3), 422.2265	
WAC		
RCW		
LOB & Contract Citation	☒ **WAHIMC** ☒ **BHSO** ☒ **Wraparound** ☒ **SMAC** ☒ **HH**	IMC Contract: 19.2.1, Business Continuity and Disaster Recovery Plan
		BHSO: P&P supports all LOB requirements
		Wraparound Contract 8.2.1.2.11, Management of Subcontracts, disaster recovery plans
		SMAC: P&P supports all LOB requirements
		HH: P&P supports all LOB requirements
	☒ **AHE**	AHE Contract: 19.2.1, Business Continuity and Disaster Recovery Plan
	☒ **MA/DSNP**	MA/DSNP: P&P supports all LOB requirements
	☒ **CS**	CS: P&P supports all LOB requirements
	☐ **Corporate (not applicable to any LOB)**	
Other Requirements		
NCQA Elements		

Revision History

SME Review:	05/24/2022, 04/17/2023, 03/14/2024, 02/19/2025, 06/16/2025, 05/06/2026
Approval:	05/26/2022, 04/17/2023, 03/14/2024, 02/20/2025, 06/20/2025, 05/06/2026

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Appendix A: Detailed Revision History

Revision Date	Revision Description	Revision Made By
05/24/2022	Original version	Kris Shopin / Renée Lillie
05/26/2022	Approval	Donna Arcieri
04/17/2023	Annual review; minor edits	Kris Shopin / Renée Lillie
04/17/2023	Approval	Donna Arcieri
03/14/2024	Annual review; minor edits for style/ clarity	Kris Shopin / Renée Lillie
03/14/2024	Approval	Donna Arcieri
02/19/2025	Annual review; minor edits	Kris Shopin / Renée Lillie
02/20/2025	Approval	Donna Arcieri
06/16/2025	Added dependencies; added descriptions of “emergency,” “PHE,” and “disaster”	Kris Shopin / Renée Lillie
06/20/2025	Approval	Donna Arcieri
05/06/2026	Annual review; minor edits for style/clarity	Kris Shopin / Renée Lillie
05/06/2026	Approval	Donna Arcieri

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