May 1, 2025

Nevada Medicaid Web Announcement 3627

Revision to Recipient-Based Letter of Agreement (LOA)

The Division of Health Care Financing and Policy ("Nevada Medicaid") implemented a recipient-based Letter of Agreement (LOA) model effective October 1, 2020. Beginning May 1, 2025, providers will no longer be required to attach a copy of the approved LOAs, issued May 1, 2025, or later, when submitting claims. As part of this update, Item I has been revised to reduce the administrative burden on providers. LOA claims submitted after May 1, 2025, as an EXCP Batch will be denied.

Providers with approved LOAs issued prior to May 1, 2025, will continue to attach the LOA copy to the claim until they receive email notification from DHCFP that the transition is complete. After notification from DHCFP, LOA claims submitted as an EXCP Batch will be denied. The transition of historical LOAs by Gainwell is expected to be completed within 2 weeks. All other requirements and procedures for recipient-based LOAs remain in effect, as outlined below:

A. Providers must be actively enrolled with Nevada Medicaid. A list of current, active Nevada Medicaid Provider ID numbers to which the agreement applies must be submitted.

B. If the service requires prior authorization (PA), providers must include the PA number when requesting an LOA. For PA information, refer to Medicaid Services Manual (MSM) Chapter 100. We request that all other components of care are in place prior to reaching out for the agreement (ensuring the recipient is Fee-for-Service, prior authorization approved as required, etc.)

C. The Rates Analysis and Development (RAD) Unit will negotiate provider-specific reimbursement rates in accordance with the Medicaid State Plan and MSM. A percentage of usual and customary billed charges is the most common methodology, though others may be considered.

   - Negotiations will be conducted with the goal of ensuring cost-effective care while maintaining access to necessary services for Nevada Medicaid recipients.

D. Agreements are specific to a single recipient and apply to all services rendered by the out-of-state provider. Reimbursement methodologies may vary depending on service type.

E. Each agreement must include both a reimbursement effective date and expiration date, allowing for periodic review and adjustment.

   - If a PA is not required, the effective date of the LOA will be based on the provider's request date but may not exceed 12 months in duration. If a PA is required, the effective date aligns with the approved PA. Retroactive LOAs will be considered only for emergency services or weekend occurrences and require approval by the DHCFP Administrator. The Division of Health Care Financing and Policy (DHCFP) reserves the right to shorten or extend the requested effective period at its sole discretion.

F. All agreements must be compatible with the Medicaid Management Information System (MMIS), which processes claim submissions. Please allow 2 business days for the LOA to reflect in the MMIS system before claim submission.

G. Only the DHCFP-approved LOA template may be used. Reproduced or altered templates will not be accepted.

H. Copies of the fully executed LOA will be provided to both the provider and the fiscal intermediary.

I. Providers are no longer required to submit a copy of the LOA with claims. The executed LOA will be transferred internally to ensure claims are reimbursed at the provider-specific rate.

J. For LOA requests and questions please direct your inquiries to the following inbox:

- All other Providers: Rates@dhcfp.nv.gov
- Transportation Providers: Transportation@dhcfp.nv.gov

DHCFP will reach out directly to providers with LOAs that do not fall within the parameters of this notification.