

102. Section 17-1740.1-2, Hawaii Administrative Rules, is repealed as follows:

["§17-1740.1-2 Definitions. As used in this chapter:

"Base year" means the first PPS year starting January 1, 2001 and ending December 31, 2001 or any subsequent year that rates are recalculated if a rebasing is determined to be necessary.

"Baseline PPS rate" means the rate calculated for the initial or first year under PPS.

"Cost reports" means the forms DHS 401 of a certified FQHC or RHC with all documentation and requirements which were necessary for acceptability.

"Federally qualified health center (FQHC)" means an entity that, based upon recommendation of the Health Resources and Services Administration within the Public Health Service, has been determined by the Secretary of the U. S. Department of Health and Human Services to meet the qualifications for a federally qualified health center, as defined in section 1861(aa)(4) of the Social Security Act.

"Fiscal agent" means an entity or organization contracted by the State of Hawaii who is responsible for the ongoing financial monitoring, and day to day maintenance and management of FQHC and RHC reimbursement systems.

"Medicare principles of reimbursement" means that body of accounting, cost finding, cost allocation, and cost limit principles that has developed over time in the administration of the Medicare program under Title XVIII of the Social Security Act. It includes, without limitation, the principles identified in the following authorities:

- (1) The Social Security Act, 42 U.S.C. §§1395 et seq.;
- (2) The regulations promulgated pursuant to that Act, including 42 C.F.R. Part 413;
- (3) Manuals published by the Health Care Financing Administration, including HCFA Pub. No. 15; and
- (4) Intermediary letters and bulletins disseminated by the Health Care Financing Administration, now known as the Centers for Medicare and Medicaid Services (CMS).

"PPS" means prospective payment system.

"Provider agreement" means the contract between the department and the FQHC or RHC for the delivery of covered items and services to eligible recipients.

"Rate reconsideration" means the formal process of submitting documentation and requesting a review of the PPS rates because of extraordinary circumstances beyond the control of the provider.

"Rebasing" means a determination by Congress that it is necessary to select another base year to recalculate the PPS rates or make necessary refinements to the PPS rates.

"Rural health clinic (RHC)" means an entity that meets the qualifications for a rural health clinic, as defined in section 1861(aa)(2) of the Social Security Act.

"Visit" means a face-to-face encounter between an eligible recipient who is a patient of the FQHC or RHC and either:

- (1) A health care professional; or
- (2) Another person who delivers health care services incident to the health care professional's practice; and
- (3) The visit results in the eligible recipient receiving a covered item or service.

Encounters with more than one health care professional and multiple encounters with the same health care professional that take place on the same day and at a single location constitute a single visit, except when the patient, after the first encounter, suffers illness or injury requiring additional diagnosis or treatment." [Eff 11/20/03; am 02/07/05; R] (Auth: HRS §346-14, 42 C.F.R. §431.10) (Imp: Pub. L. No. 106-554)

103. Section 17-1741-2, Hawaii Administrative Rules, is repealed as follows:

[“§17-1741-2 Definitions. For the purpose of this chapter:

“Abuse” means to put to a wrong or improper use, the health care services available under the Hawaii medical assistance program. It includes, but is not limited to providing or receiving health care services where no medical need exists, providing or receiving service in excess of that medically needed by the recipient or presenting a claim for services in excess of those actually provided or needed. Abuse may exist where the provider or recipient acts negligently, or recklessly.

“DHS” means the department of human services.

“Fraud” means the knowing and willful making or causing a making by any person in the medical assistance program of any false statement or representation of the material fact in any application for benefits or payment for furnishing services or supplies, or for the purpose of obtaining greater compensation than the person is legally entitled to, or for obtaining authorization for furnishing services or supplies, or for providing or receiving health care services where the recipient is not legally entitled to medicaid, or for presenting a claim for services not provided. If any of the conditions exist, then there is fraud whether or not any payment is actually received from the Hawaii medical assistance program. For purposes of the chapter, fraud may exist whether or not judgment has been made by a court of this State having jurisdiction over criminal matters.

“Freedom of choice” means the right to elect a qualified participating provider of health care services.

“Furnished” means items and services provided directly by, or under the direct supervision of, or ordered by, a practitioner or other individual (either as an employee or in his or her own capacity), a provider, or other supplier of services. For purposes of denial of reimbursement within this part, it does

not refer to services ordered by one party but billed for and provided by or under the supervision of another.

"Medical necessity" means those procedures and services, as determined by the department, which are considered necessary and for which payment will be made.

"Over-utilization" means to misuse the services of one or more physicians or providers for the same or similar conditions over a period of time.

"Primary care physician" means a physician who treats and oversees the health needs of a recipient.

"Surveillance" means the process of monitoring the delivery and utilization of covered services and items by the medicaid participants and includes the use of itemized data and statistics to establish norms of care in order to detect improper or illegal utilization practices.

"Utilization review" means the process of analyzing and evaluating the delivery and utilization of apparently aberrant medical care on a per case basis to safeguard quality of care and to guard against fraudulent or abusive use of the medicaid program by either providers furnishing services or persons receiving services."] [Eff 08/01/94;

R] (Auth: HRS §346-14; 42 C.F.R. §§430.10, 431.10) (Imp: 42 C.F.R. §§431.10, 455.2)

104. Section 17-1744-2, Hawaii Administrative Rules is repealed as follows:

[“§17-1744-2 Definitions. For the purpose of this chapter:

“HIB” means hospital insurance benefits of the medicare program (part A).

“Medicare” means the health care insurance program for the aged and disabled administered by the Social Security Administration under title XVIII of the Social Security Act.

“QDWI” is a qualified disabled and working individual who is a member of a special medicaid coverage group. These group members are only eligible for coverage of premiums for medicare hospital insurance.

“QMB” is a qualified medicare beneficiary who is a member of a special medicaid coverage group. These group members are only eligible for coverage of medicare premiums, deductibles and coinsurance amounts.

“RSDI” means retirement, survivors, and disability insurance benefits administered by the Social Security Administration of the U.S. Government.

“SLMB” means a specified low income medicare beneficiary who is a member of a special medicaid coverage group. These group members are only eligible for coverage of premiums for medicare supplementary medical insurance.

“SMI” means supplementary medical insurance, also known as part B, which provides medicare coverage of outpatient medical services.

“SMI buy-in” means the enrollment and group coverage of recipients for supplementary medical insurance (part B of medicare) and payment of monthly premiums on the recipients' behalf as provided in an agreement between the State and Federal Health Care Financing Administration.”] [Eff 08/01/94;

R] (Auth: HRS §346-14) (Imp: 42 C.F.R. §431.625; 42 U.S.C. §§1395i-2a and 1396a(a)(10)(E))

105. Section 17-1745-2, Hawaii Administrative Rules, is repealed as follows:

[“§17-1745-2 Definitions. For the purpose of this chapter:

“Accessible” means obtainable for use.

“Unclaimed body” means:

- (1) A deceased person without any known surviving family members and friends;
- (2) A deceased person without any legally responsible relatives such as a spouse and parents of a minor child; or
- (3) A deceased person for whom no one has assumed responsibility for disposition of the body within five working day from the date of death, excluding weekends, and about whom the department and the respective county medical examiner or coroner have no actual knowledge of any legally responsible party.

“Vendor payments” means payments made by invoice billing or purchase order for valid services rendered to eligible persons.”] [Eff 08/01/94; am 10/26/01; R] (Auth: HRS §346-15) (Imp: HRS §346-15)

106. Material, except source notes, to be repealed is bracketed. New material is underscored.

107. Additions to update source notes to reflect these amendments, repeals, and compilation are not underscored.

108. These amendments to, repeals and compilation of chapters of the Hawaii Administrative Rules, shall take effect ten days after filing with the Office of the Lieutenant Governor as follows:

- **Twenty-six (26) new chapters: §§17-1700.1, 17-1703.1, 17-1711.1, 17-1712.1, 17-1713.1, 17-1714.1, 17-1715, 17-1715.1, 17-1716, 17-1717, 17-1717.1, 17-1718, 17-1719, 17-1720, 17-1720.1, 17-1723.1, 17-1723.2, 17-1723.3, 17-1724.1, 17-**

1724.2, 17-1725.1, 17-1730.1, 17-1733.1, 17-1734.1, 17-1735.1, 17-1735.2;

- **Twenty-two (22) repealed chapters: §§17-1700, 17-1703, 17-1711, 17-1712, 17-1713, 17-1714, 17-1721, 17-1721.1, 17-1722.1, 17-1722.2, 17-1723, 17-1724, 17-1725, 17-1726, 17-1727, 17-1728, 17-1728.1, 17-1730, 17-1732, 17-1733, 17-1734, 17-1735; and**
- **Seventeen (17) housekeeping chapters: §§17-1701, 17-1702, 17-1704, 17-1705, 17-1706, 17-1722, 17-1722.3, 17-1736, 17-1737, 17-1738, 17-1739, 17-1739.1, 17-1739.2, 17-1740.1, 17-1741, 17-1744, 17-1745.**