STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF ALABAMA

Definition of a Health Maintenance Organization

Within the guidelines of 42 CFR §434.20(c) and Alabama Department of Public Health Administration Code Rule 420-5-6.01 - 420-5-6.15 the definition of a Health Maintenance Organization, herein abbreviated as HMO, means a licensed entity which provides, either directly, or through arrangements, those health care services, medical assistance, and rehabilitation services which enrollees might reasonably require in order to be maintained in good health.

Such HMO services shall be provided to each enrollee on a capitation fee basis. Such HMO services shall include, but not be limited to, the following, wherever provided:

1. Medical assessment and evaluation
2. Physician services; which shall include consultant and physician referral services
3. Inpatient and outpatient hospital services
4. Medically necessary emergency health services
5. Diagnostic laboratory and diagnostic and therapeutic radiologic services
6. Home Health services
7. Preventive health services; which shall include periodic health evaluations for adults, Early and Periodic Screening, Diagnosis, and Treatment (EPSDT), and immunizations and may include voluntary family planning

In addition an HMO must meet at least the following requirements:

(1) The HMO makes the services it provides to its Medicaid enrollees as accessible to them (in terms of timeliness, amount, duration, and scope) as those services are to non-enrolled Medicaid recipients within its service area.

(2) The HMO makes provision, satisfactory to the Medicaid Agency, against the risk of insolvency, and assures that Medicaid enrollees will not be liable for its debts if it does become insolvent, and;

(3) Be organized primarily for the purpose of providing health care services.