

PROVIDER Update



Health Net®

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Provider Offshore Subcontracting Requirements Annual Reminder

Health Net of California, Inc., Health Net Community Solutions, Inc. and Health Net Life Insurance Company (Health Net) require notice of any offshore subcontracting relationship involving Health Net members' protected health information (PHI) to ensure that appropriate steps are taken to address risks involved with the use of subcontractors operating outside the United States.

An example of an offshore subcontracting relationship is a physician, laboratory, medical group, or hospital contracting with an entity to process claims, and that entity uses resources that are not located in the United States to process the provider's claims. The provider is responsible to have processes in place that protect members' PHI.

All Health Net participating providers who use offshore subcontractors to process, handle or access member PHI in oral, written or electronic form must submit specific subcontracting information to Health Net. Providers may not allow any member data to be transferred or stored offshore. Data may be accessed by an offshore entity through an onshore entity that is located in the United States.

Health Net requires that participating providers who have entered into an offshore subcontracting relationship submit the following items to Health Net within 20 calendar days of entering into a new offshore agreement or when revising an existing offshore agreement.

- A completed and signed copy of the attestation form, available on the provider website, as described under Additional Information on page 2. This attests that the participating provider has taken appropriate steps to address the risks associated with the use of subcontractors operating outside the United States. Each attestation form includes the Health Net contact information for providers to return the completed form and materials.
- Providers contracting with Health Net for the Medicare Advantage (MA) line of business must provide a copy of the agreement between the provider and offshore subcontractor with proprietary information removed. Health Net is required to validate that the necessary MA contractual provisions are included in the agreement.
- A policy and procedure for ensuring and maintaining the security of members' PHI.
- A policy and procedure that documents the process used for immediate termination of the offshore subcontractor upon discovery of a significant security breach.
- A policy and procedure that documents the process used for conducting annual audits, regular monitoring and tracking results, and resolving any identified deficiencies.

Providers must submit this information for each offshore subcontractor they have engaged to perform work, regardless of whether the information was already completed for a different health plan.

THIS UPDATE APPLIES TO CALIFORNIA PROVIDERS:

- Physicians
- Participating Physician Groups
- Hospitals
- Ancillary Providers

LINES OF BUSINESS:

- HMO/POS/HSP
- PPO
- EPO
- Medicare Advantage (HMO)
- Medi-Cal
 - Kern
 - Los Angeles
 - Molina
 - Riverside
 - Sacramento
 - San Bernardino
 - San Diego
 - San Joaquin
 - Stanislaus
 - Tulare

PROVIDER SERVICES

provider_services@healthnet.com

EnhancedCare PPO (IFP)

1-844-463-8188

provider.healthnetcalifornia.com

EnhancedCare PPO (SBG)

1-844-463-8188

provider.healthnet.com

Health Net Employer Group HMO, POS, HSP, PPO, & EPO

1-800-641-7761

provider.healthnet.com

IFP – CommunityCare HMO, PPO, PureCare HSP, PureCare One EPO

1-888-926-2164

provider.healthnetcalifornia.com

Medicare (individual)

1-800-929-9224

provider.healthnetcalifornia.com

Medicare (employer group)

1-800-929-9224

provider.healthnet.com

Medi-Cal – 1-800-675-6110

provider.healthnet.com

PROVIDER COMMUNICATIONS

provider.communications@

healthnet.com

fax 1-800-937-6086

DEFINITIONS

Offshore

The term offshore refers to any country that is not within the United States or one of the United States territories (American Samoa, Guam, Northern Marianas, Puerto Rico, and American Virgin Islands). Examples of countries that meet the definition of offshore include Mexico, Canada, India, Germany, and Japan. Subcontractors that are considered offshore can be either American-owned companies with certain portions of their operations performed outside the United States or foreign-owned companies with their operations performed outside the United States. Offshore subcontractors provide services that are performed by workers located in offshore countries, regardless of whether the workers are employees of American or foreign companies.

Subcontractor

A subcontractor is any organization with which a first-tier, downstream or related entity contracts to fulfill or help fulfill requirements in its contracts.

ADDITIONAL INFORMATION

Providers may access the applicable attestation form and requirements in Health Net's Provider Library under *Operations Manuals > Compliance and Regulations > Provider Offshore Subcontracting Attestation*.

If you have questions regarding the information contained in this update, contact the applicable Health Net Provider Services Center within 60 days at:

Line of Business	Telephone Number	Provider Portal	Email Address
ENHANCEDCARE PPO (IFP)	1-844-463-8188	provider.healthnetcalifornia.com	provider_services@healthnet.com
ENHANCEDCARE PPO (SBG)	1-844-463-8188	provider.healthnet.com	
HEALTH NET EMPLOYER GROUP HMO, POS, HSP, PPO, & EPO	1-800-641-7761	provider.healthnet.com	
IFP (COMMUNITYCARE HMO, PPO, PURECARE HSP, PURECARE ONE EPO)	1-888-926-2164	provider.healthnetcalifornia.com	
MEDICARE (INDIVIDUAL)	1-800-929-9224	provider.healthnetcalifornia.com	
MEDICARE (EMPLOYER GROUP)	1-800-929-9224	provider.healthnet.com	
MEDI-CAL	1-800-675-6110	provider.healthnet.com	N/A