

March 20, 2025

## PROVIDER ENROLLMENT REVALIDATION FLEXIBILITIES: ENROLLMENT GAP CLOSURES, CLAIMS REPROCESSING, AND MC

### BACKGROUND

Medicaid providers are experiencing significant challenges complying with Medicaid provider enrollment revalidation requirements and timelines. In response, HHSC is implementing provider enrollment revalidation flexibilities and requiring all Medicaid and CHIP payers to support these flexibilities. HHSC is taking action to extend revalidation due dates, reduce or eliminate enrollment gaps, and require payers to support claims reprocessing efforts.

This is the second of a series of MCO Notices and focuses on enrollment gap closures, claims reprocessing, and questions that were posed by MCOs and DMOs during the ad hoc all-MCO/DMO call held by HHSC on Nov. 20, 2024.

These flexibilities are solely in relation to providers who are disenrolled for failure to complete their revalidation timely. Disenrollments for other reasons, such as voluntary disenrollment; substantiated allegations of fraud, waste, or abuse; or expiration of licenses will continue to occur according to existing business processes.

### KEY DETAILS

The Texas Medicaid & Healthcare Partnership (TMHP) and HHSC are implementing a process to modify enrollment period effective dates for providers that:

- Have been disenrolled for failing to revalidate timely between Nov. 1, 2023, and Dec. 12, 2024.
- Successfully reenrolled in Texas Medicaid.

This process will be implemented in two phases.

#### Phase 1 Overview

Beginning Jan. 17, 2025, for providers that meet both the criteria listed above, Phase 1 will result in their National Provider Identifier (NPI) enrollment period begin date in the Provider Enrollment and Management System (PEMS) to be backdated up to 365 calendar days. This will reduce or eliminate the provider's enrollment gap impacted by status code 66, "Provider Is Not Enrolled, Failed To Re-Validate."

Providers will receive an email notification with their new NPI enrollment period begin date. For any providers with draft or in-flight revalidation or reenrollment requests that are approved after Jan. 17, 2025, the following will apply:

- Their NPI enrollment period begin date in PEMS will be backdated up to 365 calendar days to reduce or eliminate their enrollment gap.

- Status code 66 will be removed up to 365 days after the revalidation or reenrollment is in “closed-enrolled” status.

TMHP posted a one-time file that included all providers who received gap closures on Jan. 17, 2025, as part of the initial release.

TMHP is posting a file daily between 8:30 p.m. and 9:00 p.m. of providers who receive gap closures after Jan. 17, 2025.

### Phase 2 Overview

Beginning Feb. 22, 2025, Phase 2 will result in shifting the enrollment period end date back the same number of days that the enrollment period begin date was shifted back. The change to the enrollment period end date will also be reflected as a new revalidation due date to align with state and federal revalidation frequency requirements. Providers will receive an email notification with their new NPI enrollment period end date.

### Claims Reprocessing

For providers who receive a retroactive enrollment gap closure from HHSC and TMHP, HHSC directs all Medicaid and CHIP payers to:

- Allow providers to submit claims for services rendered during the now-closed enrollment gap. Payers must not require a provider to submit the request through formal appeals processes to reduce administrative burden.
- Override timely filing deadlines for impacted claims as applicable.
- Not deny claims during the provider’s now-closed enrollment gap for the sole reason that the provider was disenrolled for failure to revalidate timely (as indicated by a payment denial code 66 [PDC-66] on the master provider file). Payers should follow other claims processing requirements to ensure the legitimacy of services provided.
- Develop and publish the payer’s claims reprocessing procedures in a location accessible to any provider and notify providers of the process for submission of claims during the now-closed enrollment gap.
- Process or reprocess all affected claims before June 30, 2025.

## RESOURCES

[Revalidation Due Dates Extended and Retroactive Enrollment Period to Be Implemented | TMHP](#)

[Retroactive Enrollment Periods and Claims Reprocessing | TMHP](#)

[Upcoming Webinars on Revalidation Due Date Extension and Retroactive Enrollment Period Effective Dates | TMHP](#)

## ATTACHMENTS

[MCO Claims Reprocessing Approach Information Template.docx](#)