

TO: All Local District Commissioners, Medicaid Directors

FROM: Kathryn Kuhmerker, Deputy Commissioner  
Office of Medicaid Management

SUBJECT: Family Health Plus Reimbursement for Errors and Delays

EFFECTIVE DATE: Immediately

CONTACT PERSON: Local District Liaison: Upstate (518) 474-8216  
NYC (212) 268-6855

On August 7, 2003, GIS 03 MA/019 was issued to clarify the Department's policy regarding payments to providers for medical expenses incurred by Family Health Plus (FHPlus) eligible persons as a result of agency error or delay. This GIS provides further instructions as to how to process such payments.

As stated in GIS 03 MA/019, the local districts have the option of processing claims and issuing payment to providers themselves, or having the Department of Health process the claims and issue the required payments.

We have been advised by staff in our Fiscal Management Group that bills submitted by a recipient often do not contain sufficient information to allow us to correctly process payment to the provider. Therefore, we are amending our instructions to local districts.

When a FHPlus recipient requests payment for expenses incurred as a result of an agency error or delay, the local social services district must first confirm that it is appropriate to pay the expenses (i.e., the expense was incurred as the result of the district's error or delay (see GIS 02 MA/033), the service is covered by FHPlus and the provider is a Medicaid enrolled provider). If expenses do not meet the criteria for reimbursement, payment must be denied by the district, with appropriate notice to the recipient. When it is determined appropriate to pay such expenses, a Medicaid paper claim form that lists the proper Medicaid rates, codes and billing information must be completed. Upon completion of the paper claim form, the provider must return the appropriate paper claim form to the local district. When the local district opts to have this Department process the claim, the local district must attach a Claim Transmittal Form (LDSS 3664) and submit the claim to the following address:

New York State Department of Health  
Attn: Medicaid Financial Management Unit  
Corning Tower, Room 1237  
Albany, New York 12237

The e-mail version of this GIS includes an attachment with sample wording that you may wish to use to request the needed claim form from a provider. The e-mail version also includes a desk guide for workers, which outlines reimbursement policy for the Medicaid and Family Health Plus programs.