



Connecticut Medical Assistance Program Policy Transmittal 2010-11

PB 2010-37
June 2010

Michael P. Starkowski, Commissioner

Effective Date: July 1, 2010
Contact: Ondria Lucky @ 860-424-5195

TO: Hospital Providers

RE: National Health Reform - State Administered General Assistance Program Becomes Medicaid for Low Income Adults

Pursuant to section 2001 (a)(40)(A) of the Patient Protection and Affordable Care Act, the State Administered General Assistance Program (SAGA) is being discontinued and individuals formerly covered under SAGA will be covered under Medicaid effective **April 1, 2010**. This change transfers the 45,000 single, low-income adults covered by SAGA into the Medicaid program. These adults will now have access to the fee-for-service Medicaid health care benefit package. This will have a positive impact on the state budget as the state will now receive federal reimbursement for what were previously all state expenditures.

The program name for this new Medicaid population is "Medicaid for Low Income Adults", which will be referred to as "Medicaid L-I-A."

The following provides important information on how this change impacts hospital providers.

- Inpatient and outpatient medical claims with dates of service **on or after April 1, 2010** that have been suspended will be processed in accordance with fee-for-service Medicaid reimbursement rules including cost settlement beginning with the first claims cycle in July.
- SAGA inpatient and outpatient medical claims for dates of service prior to April 1, 2010 were last processed in the May 2010 claim cycles based on the existing SAGA capped allotment reimbursement process. Hospitals should submit any remaining claims with dates of service prior to April 1, 2010 for one final processing cycle under the SAGA capped allotment reimbursement. Hospital providers will be notified when a final claim cycle has been scheduled to process the remaining pre-April 1st SAGA claims.
- Claims for hospital stays that span April 1, 2010 must be split billed. SAGA claims submitted with dates of service spanning March and April (e.g., DOS 03/31/2010 - 04/02/2010) will be denied in their entirety.
- Effective July 1, 2010, physical therapy, occupational therapy and speech therapy prior

authorizations will be processed for Medicaid LIA clients by DSS staff in the same manner as fee-for-service clients.

The Department of Social Services (DSS) will assume responsibility for behavioral health services as the clients are now covered under Medicaid. For dates of service July 1, 2010 forward, Qualidigm will authorize behavioral health inpatient hospital admissions for Medicaid LIA clients in the same manner as they do for Medicaid clients currently.

In order for the state to receive Federal reimbursement for services provided to this client population retroactive to April 1, 2010, the claims must be paid through the Department of Social Services claims system as Medicaid claims. Advanced Behavioral Health will be recouping claims from providers that were paid on behalf of SAGA clients.

Providers should submit those claims with dates of service on or after April 1, 2010 to HP Enterprise Services for processing under the Medicaid program ***beginning July 1, 2010, except for claims for behavioral health inpatient and partial hospital services. Claims for behavioral health inpatient and partial hospital services may be submitted beginning July 15, 2010.***

Authorizations provided by ABH will be honored and if necessary modified to reflect the correct coding for Medicaid payment. Claims will be paid in accordance with fee-for-service Medicaid claims submission requirements, procedure codes and reimbursement rules. In some instances the claim submitted to HP will need to be modified by the provider to reflect different billing rules under Medicaid and GA BHP: Hospitals must submit claims using Revenue Center Codes, not CPT codes. Also, hospitals are reminded to submit NDC codes as required under Medicaid billing rules.

Effective April 1, 2010, prior authorization for Intensive Outpatient Program services and for outpatient psychotherapy services has been suspended until further notice.

Hospital claims for dates of service on or after April 1, 2010 will be included in the annual hospital cost settlement process. These claims will continue to report on remittance advices as SAGA (fund payer "S") until changes are made in the near future to separately identify them as Medicaid LIA.

Posting Instructions: Policy transmittals can be downloaded from the web site at www.ctdssmap.com

Distribution: This policy transmittal is being distributed to providers enrolled in the Connecticut Medical Assistance Program by HP Enterprise Services.

Responsible Unit: DSS, Medical Care Administration, Policy and Regulations, Ondria Lucky @ 860-424-5195.

Date Issued: June 2010