

**NEW YORK STATE
MEDICAID PROGRAM**

INFORMATION FOR ALL PROVIDERS

INTRODUCTION

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Preface

The purpose of this Manual is the provision of information and guidance to those providers who participate in the New York State Medical Assistance Program (Medicaid). It is designed to provide instructions for the understanding and completion of forms and documents relating to billing procedures and to serve as a reference for additional information that may be required.

Pertinent policy statements and requirements governing the Medicaid program have been included. The Manual has been designed to easily incorporate changes since additions and periodic clarifications will be necessary. It should serve as a central reference for updated information.

Providers are responsible for familiarizing themselves with all Medicaid procedures and regulations currently in effect and as they are issued.

The Department of Health publishes a monthly newsletter, the *Medicaid Update*, which contains information regarding Medicaid programs, policy and billing. This Update is sent to all active enrolled providers. New providers need to be familiar with the past issues of *Medicaid Update* to have current policy and procedures. Past issues of *Medicaid Update* are available at::

<http://www.health.state.ny.us/nysdoh/medicaid/medicaid.htm>

Foreword

The New York State Department of Health (DOH) is the single State agency responsible for the administration of the New York Medical Assistance Program under Title XIX of the Social Security Act. The primary purpose of the Medical Assistance Program is to make covered health and medical services available to eligible individuals. As the single State agency, DOH promulgates all necessary regulations and guidelines for program administration, as well as develops professional standards for the program, develops rates and fees for medical services, hospital utilization review and professional consultation to local department of social service officials for determining adequacy of medical services submitted for Medicaid reimbursement.

The Department is required to maintain a Medicaid plan for the State that is consistent with provisions of Federal law and regulations. Administrative functions include development of program policy, determination of recipient eligibility, ambulatory care utilization review, detection of possible fraud and abuse, and supervision of the Fiscal Agent and all its functions.

In order to carry out aspects of the professional administration of the Program, the DOH's Office of Medicaid Management (OMM) works in conjunction with other state agencies such as the Office of Mental Health (OMH), Office of Mental Retardation and Developmental Disabilities (OMRDD), Office of Alcohol and Substance Abuse Services (OASAS) and the State Education Department (SED) to ensure that the needs of the special populations that these agencies serve are addressed within the parameters of the Medicaid Program. In addition, the DOH works with New York's local departments of social services to administer and fund the Medicaid Program.

The Director of the New York State Division of the Budget promulgates all fees and rates for the Medicaid Program (with the exception of those which by statute are set by OMH, OMRDD and OASAS).

Medicaid Management Information System

Chapter 639 of the Laws of the State of New York, 1976, mandated that a statewide Medicaid Management Information System (MMIS) be designed, developed and implemented. The MMIS is a computerized system for claims processing which also provides information upon which management decisions can be made. The New York State MMIS design is based on the recognition that Medicaid processing can be highly automated and that provider relations and claims resolution require an interface with experienced program knowledgeable people. This approach results in great economies through automation, yet eliminates the frustration which providers frequently encounter in dealing with computerized systems.

DOH has contracted with Computer Sciences Corporation (CSC) to be the Medicaid fiscal agent.

CSC, in its role as Fiscal Agent, maintains a Medicaid claims processing system to meet New York State and Federal MMIS requirements, and performs the following functions:

- Receives, reviews and pays claims submitted by the providers of health care for services rendered to eligible patients (recipients).
- Interacts with the providers through its Provider Relations personnel in order to train providers in what MMIS is and how to submit claim forms; responds to provider mail and telephone inquiries; maintains and issues forms, notices, and manuals to providers.
- Maintains the Medicaid Eligibility Verification System (MEVS).

Key Features

The MMIS has several key features that enable the system to achieve its objectives.

- **Claims Payment**
This aspect of MMIS generates prompt payment of all approved claims and prepares a Remittance Statement with each payment cycle which lists the status of all paid, denied and pended claims.
- **Flexibility**
The system has the flexibility to process individual claim lines on the claim form separately. It will not deny payment of the entire invoice if one line is pended or requires manual pricing.
- **Manual Review**
All paper claims are manually screened on the day of receipt prior to computer processing. Any omissions or obvious errors will result in the return of the claim form

to the provider.

- **Inquiry Procedures**
The Fiscal Agent handles written and telephone requests for information. Detailed procedures can be found in **Information For All Providers, Inquiry**.
- **Service Bureaus**
The Fiscal Agent will cooperate with the provider's computer service bureau to ensure that the automated claim input meets MMIS requirements.
- **Provider and Recipient Eligibility**
The DOH is responsible for the determination of eligibility of providers in the New York Medicaid Program. Local departments of social services retain the responsibility for determining recipient eligibility.
- **Service Limitations and Exclusions**
The DOH maintains the responsibility for determining covered services and exclusions in the Medical Assistance Program.
- **Continuing Communications**
To ensure a flow of information from the State and Fiscal Agent to the providers, community bulletins, newsletters and updates to the Manual are mailed periodically.