

TO: Chief Executive Officers - Hospitals (General, Special, Rehabilitative Hospitals, Private Psychiatric and County Governmental Psychiatric Hospitals)

Home Health Agencies

SUBJECT: Announcement of Medicaid's Settlement Policy and Identification of Medicaid Settlement Agent

EFFECTIVE: Immediately

Unisys/Paramax, as the new Fiscal Agent for the New Jersey Medicaid program, is responsible for the processing and payment of claims submitted for all services rendered to Medicaid recipients.

Please be advised that Blue Cross and Blue Shield of New Jersey, Inc. (BCBSNJ) is the Medicaid Settlement Agent for hospitals (general, special, rehabilitative hospitals, private and county governmental psychiatric hospitals) and for hospital based home health agencies. BCBSNJ is under contract with the Program through June 30, 1996.

BCBSNJ will be responsible for the calculation of Medicaid settlements based upon audited cost data. In addition, BCBSNJ will settle inpatient per diems and outpatient percentage rates.

BCBSNJ is not authorized to disburse or collect any funds. The New Jersey Medicaid program, in concert with Unisys/Paramax, will be responsible for that function.

The following individuals may be contacted regarding the Medicaid Settlement process:

Tina Ford, Reimbursement Analyst	(201) 456-2850
Mary Jane Nickles, Reimbursement Analyst	(201) 456-2859
Robert C. Shusko, Reimbursement Analyst	(201) 456-2842
Karla Spivey, Reimbursement Analyst	(201) 456-2165
Paul Lauber, Senior Reimbursement Analyst	(201) 456-2164
Elizabeth Salvato, Senior Reimbursement Analyst	(201) 456-2866
Dennis Scott, Senior Reimbursement Analyst	(201) 456-2298
David T. Fulton, Manager	(201) 456-2889
Robert E. Anderson, Senior Manager	(201) 456-3107
James V. Auriemma, Jr. Director	(201) 456-2880

Attached is the Division of Medical Assistance and Health Services' policy concerning this function.

If you have any questions, please contact Jeffrey O. Campbell, Health Care Facilities Analyst I, DMAHS, at (609) 588-2691.

POLICY FOR MEDICAID SETTLEMENT

MARC

In the capacity of New Jersey Medicaid Settlement Agent for all New Jersey general, special, rehabilitative, private psychiatric and county governmental psychiatric hospitals and all hospital-based home health agencies, Blue Cross and Blue Shield of New Jersey, Inc. (BCBSNJ) will determine the amount of disbursements, recoupments, and/or changes in per diem amounts and outpatient percentages, as applicable. BCBSNJ will inform the Provider and the Division of Medical Assistance and Health Services (DMAHS) of the results of their review. If BCBSNJ's review is accepted, DMAHS, through Unisys/Paramax, its Fiscal Agent for claims processing, will perform the following:

DISBURSEMENT

Within twenty (20) working days from the date of BCBSNJ's letter, a check will be issued to the Provider for the full amount due them.

RECOUPMENT

Unisys/Paramax will begin recoupment for the full amount of the overpayment thirty (30) days after the date DMAHS receives BCBSNJ's overpayment notification by withholding Medicaid claim payments to the Provider.

If withholding of New Jersey Medicaid claim payments is not acceptable to the Provider, the Provider must submit, prior to the end of the thirty-day period, a proposed repayment schedule to DMAHS. For a repayment schedule in excess of three months, documentation, (as specified in Medicare Bulletin No. 0462) must be submitted. If an approvable repayment schedule is not received by DMAHS, the withholding of Medicaid payments will be implemented to begin recoupment.

Proposed repayment plans should be submitted directly to:

Bureau of Institutional and Provider
Reimbursement
Division of Medical Assistance and Health Services

CN 712
Trenton, New Jersey 08625 -0712

Attention: Jeffrey O. Campbell, Health Care Facilities
Analyst I

Please be advised that interest will be charged at the maximum legal rate as of the date of the repayment agreement or thirty (30) days from the date of BCBSNJ's letter to DMAHS, whichever is sooner.

PER DIEMS AND OUTPATIENT PERCENT CHANGES

Within twenty (20) working days from the date of BCBSNJ's notification, the Division will post to the provider rate file the revised per diem and/or outpatient percent.

If DMAHS does not accept the results of BCBSNJ's review, they will notify BCBSNJ within the above time frames. BCBSNJ will, in turn, advise the Provider.

If there are any questions regarding the New Jersey Division of Medical Assistance and Health Services' policy pertaining to the above, please contact Jeffrey O. Campbell, Health Care Facilities Analyst I, DMAHS at (609) 588-2691.