

TO: Chief Executive Officer - Hospitals

IMPORTANT NOTICE

SUBJECT: Computer Assisted Medicaid Application Processing Now Available at  
Acute Care Hospital Sites

EFFECTIVE: Immediately

ROUTE TO: Finance, Social Services, Billing and Accounting Offices

BACKGROUND: In its continuing efforts to facilitate access to Medicaid coverage for eligible residents of the State, the Division of Medical Assistance and Health Services recently developed a standardized packet of systems generated facsimile (SGF) Medicaid application forms. The SGF forms are designed to increase the efficiency of financial information gathering and referral mechanisms for hospital patients who may be eligible for Medicaid coverage.

Used in conjunction with a single interview, such computer assisted systems have the capability of capturing and storing financial information that can be utilized in the screening and early identification of potential Medicaid eligibility. Unlike current practice, which requires that an individual be referred to the Medicaid intake agency (i.e., the county welfare agency for a second interview and manual completion of a Medicaid application form), the system can automatically generate an application using the information collected in the initial interview.

The Division of Medical Assistance and Health Services is fully supportive of this technology. It affords the hospital or its agent an opportunity to generate appropriate and acceptable Medicaid application(s) for:

1. New Jersey Care...Special Medicaid Programs;
2. Medicaid Only (a program which primarily covers individuals in nursing facilities); and, where indicated,
3. Retroactive Eligibility (FD-74).

By virtue of the single interview and the ability to identify applications in process at other contracted sites, the system has the potential for eliminating redundancy and reducing paperwork. Additionally, the system has the capability to:

1. Generate requests for collateral verification of critical financial information; and
2. Expedite the Medicaid eligibility determination process and payment to the hospital for eligible individuals.

At this time, an SGF cannot be generated for individuals who access Medicaid through the Aid to Families with Dependent Children (AFDC) or Supplemental Security Income (SSI) programs; however, the Division looks forward to the day when that will be possible. These applicants must continue to be referred to county welfare agencies or the Social Security Administration, as appropriate, to initiate the applications. You are encouraged to utilize the Public Assistance Inquiry (PA-1C) form for these applicants as a means of protecting the earliest possible application date for Medicaid and subsequent payment to your hospital.

The technology required to support a computerized Medicaid application processing system is currently available and is being marketed directly to hospitals by private vendors. It must be noted, however, that the county welfare agency retains the responsibility to make final eligibility determinations and must work in tandem with the vendor. Therefore, the applicable county welfare agency must be involved in decisions concerning this process in order to ensure that the applications will be accepted and processed expeditiously.

**ACTION:** Should your hospital enter into a contract with a vendor to install an automated eligibility application system, please be advised that you are required to use the SGFs and to submit the prototypes to the Division of Medical Assistance and Health Services for approval and assignment of unique control numbers. Requests for approval should be submitted to Saul M. Kilstein, Director, Division of Medical Assistance and Health Services, Attention: SGF Approval Request, CN-712, Trenton, New Jersey, 08625-0712.

If you have any questions or need additional information about this Newsletter, please contact Sandra Stangil, Office of Eligibility Policy and Operations, at 609-588-2556.

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(BLUE TAB MARKED "5").

