

**NEW YORK**  
state department of  
**HEALTH**

Nirav R. Shah, M.D., M.P.H.  
Commissioner

Sue Kelly  
Executive Deputy Commissioner

February 6, 2013

Dear Provider:

On December 21, 2012, a Medicaid Billing Guidance document was sent to providers regarding the Hurricane Sandy Emergency. That communication generated much discussion among the providers, their respective trade associations, and the Department of Health (the Department).

A workgroup meeting was held to discuss the general principles and policies that the Department had developed. Each policy was reviewed and revised where necessary. All agreed that in particular:

- The directive for facilities to negotiate payments between themselves was not a viable option, although it is a policy used by Medicare for these types of emergencies.
- A more equitable payment was needed for evacuating hospitals whose patients were transferred to another hospital in the initial five day period.
- Payments for services rendered subsequent to the initial five days should be made to the provider of the actual services.

Based upon these concerns, the Department has reconsidered those policies to better meet the needs of the providers affected by this emergency. Therefore, attached is the updated document which was developed for the NYS Medicaid billing policies with regard to the Hurricane Sandy Emergency. It should be reviewed carefully, as a number of the policies have been changed or been refined by the workgroup's determinations.

Due to the change in billing policies, some facilities may have billed incorrectly following our previous guidance. The reconciliation process (referred to in the Billing Guidance) by the Department will collect information from both sending and receiving facilities. This will enable the Department to determine the correct payments made and to be made to facilities affected by Hurricane Sandy using these updated guidelines. Please note there will be both liabilities and payments to calculate. The Department will work with facilities to mitigate the burden of the liabilities owed as well as expedite payments due to providers. In order to allow the Department the maximum flexibility to work with those facilities who will incur liabilities, this entire process will be an off-line process; normal billing procedures will not apply. To effectuate this offline process, a reconciliation survey document will be forthcoming.

It is important to remember that the above policies only address Medicaid Billing Policies. The Department continues to work with the federal government to discuss the allocation of recently approved funds by Congress for Hurricane Sandy relief. The previously submitted damage survey data will be very helpful with this process.

Below is a high level timeline of tasks to ensure payments will be distributed as soon as possible.

Task	Responsible Parties	Due Date
Distribute Medicaid Billing Guidance Document	DOH	February 6, 2013
Distribute reconciliation claims data survey	DOH	February 8, 2013
Submit completed survey to DOH	Health Care Associations and Provider Community	February 25, 2013
Calculate provider specific Medicaid payments	DOH	March 15, 2013
Payments released to providers	DOH	Mid – Late April, 2013

The work group is still in the process of addressing other remaining policy issues that have been raised by facilities and other provider groups. As further policies are developed we will continue to release as expeditiously as possible. Please note that it remains our goal to develop a standardized set of policies for future events that can be followed at the onset of similar emergencies.

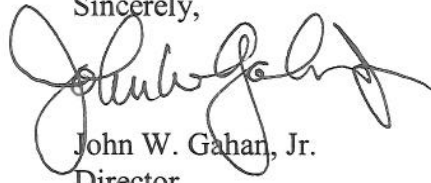
Should you have any questions, please contact the following as appropriate:

Hospitals should send questions to [bpacr@health.state.ny.us](mailto:bpacr@health.state.ny.us)

Nursing Homes should send questions to [nfrates@health.state.ny.us](mailto:nfrates@health.state.ny.us)

Thank you very much; your continued cooperation is appreciated.

Sincerely,



John W. Gahan, Jr.

Director

Bureau of Primary and Acute Care Reimbursement  
Office of Health Insurance Programs