

TO: Local District Commissioners, Medicaid Directors, Temporary Assistance Directors, and CNS Coordinators

FROM: Betty Rice, Director, Division of Consumer and Local District Relations

SUBJECT: Revenue Reimbursement Project: Retroactive FFP Claiming of Certain Inpatient Medical Claims for Inmates of Correctional Facilities

EFFECTIVE DATE: Immediately

CONTACT PERSON: Bureau of Local District Support (518) 474-8216 Upstate
(212) 268-6855 NYC

The purpose of this GIS is to inform Local Departments of Social Services about the ongoing status of Federal Financial Participation (FFP) reimbursement for the costs of certain inpatient medical services provided to inmates of correctional facilities.

01 OMM LCM-4 and GIS 01 MA/017 informed districts that reimbursement was available on a retroactive basis but was time limited (retroactive for two years for services provided during the period ending June 30, 2001). The ability to claim for Federal funds was made permanent with Chapter 1 of the Laws of 2002. This means that local districts may continue to claim for this project subject to the availability of continued federal funding.

Chapter 1 of the Laws of 2002 allows local districts to submit a claim for FFP reimbursement of certain claims paid for an inmate of a correctional facility owned or operated by or under a contract with a county or other municipality within a social services district. Services covered include: inpatient hospital, nursing facility, juvenile psychiatric facility or intermediate facility. FFP is available for any inpatient Medicaid covered services provided to an "inmate" while an inpatient in one of these facilities. However, reimbursement is not available for medical services provided by or in (i) a facility operated by the State Department of Correctional Services; (ii) a facility operated by New York City Department of Corrections; (iii) a facility located in or on the grounds of a correctional facility owned or operated by a county or other municipality within a social services district; or (iv) a facility located in a correctional facility operated under a contract with a county, a municipality other than a county, or the State.

As described in 01 OMM LCM-4 and GIS 01 MA/017 FFP reimbursement would only be available if an inmate was in receipt of Medicaid at the time of incarceration, an application was previously submitted and denied for an otherwise Medicaid eligible applicant due to inmate status, or the specified inpatient services were provided to the otherwise Medicaid eligible inmate no earlier than the three-month retroactive period prior to application. Eligibility, claiming process and reimbursement policies are provided in 01 OMM LCM-4, issued May 3, 2001. All claims are to be submitted by the local districts off-line on a quarterly basis.

Claims will be submitted to the Federal government by the State, on behalf of social services districts, for inmates of local jails. Such claims are not eligible for State Share reimbursement. When the FFP for these claims is received, the State will forward the full Federal share to the local district.

The Department will also submit claims for services provided to inmates of public Correctional Services. For these State prisoner-related claims, the state will retain the full Federal share received and no local share will be required.

If you have any questions concerning this memorandum, please contact the Bureau of Local District Support: Upstate at (518) 474-8216 or NYC at (212) 268-6855. For questions related to this revenue project, contact Ron Farrel at (518) 474-7225. Questions specifically related to claiming or reimbursement should be directed to Virginia Scala at (518) 474-7549 for Regions I-IV or Michael Borenstein at (631) 854-9704 for Regions V or Marian Borenstein at (212) 961-8250 for Region VI.