

TO: Local District Commissioners, Medicaid Directors

FROM: Judith Arnold, Director
Division of Eligibility and Marketplace Integration

SUBJECT: Voluntary Repayments for Health Insurance Premium Payments Agreement

ATTACHMENTS: Attachment I – Voluntary Repayment Agreement
Attachment II- Voluntary Repayment Agreement Cover Letter

EFFECTIVE DATE: Immediately

CONTACT PERSON: Local District Support Unit
Upstate (518) 474-8887 NYC (212) 417-4500

The purpose of this General Information System (GIS) message is to advise local departments of social services (LDSS) of an alternative voluntary repayment option that may be used when a recipient has received an incorrect reimbursement amount for health insurance premiums.

This alternative repayment option is only available to Medicaid recipients who continue to receive ongoing health insurance premium reimbursements. The option reduces the amount of ongoing health insurance premium reimbursement until the total overpayment has been recovered.

Overpayments for health insurance premiums may occur when the LDSS becomes aware that a recipient's health insurance premium amount changed during the past Medicaid authorization period or when a recipient changes health insurance policies and has a new (cost effective) premium amount.

Example: A recipient received a monthly premium reimbursement of \$125.00 for the last four months. The correct monthly premium amount should have been \$100.00. An overpayment of \$100 has occurred (4 months x \$25.00). The recipient can agree to reduce the ongoing premium reimbursement until the overpayment is paid in full.

The attached Voluntary Repayment Agreement (see Attachment I) has been revised to include the alternative repayment option. The agreement and cover letter (see Attachment II) must be placed on local district letterhead.

Please direct any questions concerning this message to your local district liaison.