



TO: Behavioral Health Providers
RE: Medicaid for Low Income Adults (Medicaid LIA) Recoupment of Charter Oak Behavioral Health Claims and Repayment as Medicaid.

As was previously communicated in Provider Bulletin PB10-58, pursuant to section 2001 (a) (40) (A) of the Patient Protection and Affordable Care Act, some Charter Oak Health Plan members became eligible for Medicaid effective April 1, 2010 under the new "Medicaid for Low Income Adults" program which is referred to as "Medicaid LIA."

This change transferred eligibility for approximately 1,250 low-income adults covered by the Charter Oak Health Plan into the Medicaid LIA program. These adults now have access to fee-for-service Medicaid health care coverage which has a positive impact on the state budget, as the state now receives federal reimbursement for these expenditures.

The following provides important information regarding the Department's plan to systematically recoup paid Charter Oak claims, reprocess the claims under Medicaid LIA, and ensure the return of cost-share payments made by former Charter Oak clients.

Claim Recoupment/Reprocess for Behavioral Health Claims

HP will recoup paid behavioral health claims for these individuals in a special processing cycle scheduled for April 15, 2011. Claims that have been paid to providers for services covered under Charter Oak that are not covered under Medicaid LIA will not be recouped.

- The recouped claims will generate a claim-specific Account Receivable (AR) transaction which will post to the Remittance Advice (RA).
- The recouped claims will be reprocessed under the Medicaid LIA program and posted to the same RA.

Reimbursement of Behavioral Health Cost-Share Payment to Clients

Providers who collected cost share from former Charter Oak clients for dates of service on or after the effective date of their Medicaid LIA eligibility are required to reimburse these clients for the cost share collected. Cost share includes co pays, co-insurance and deductibles.

Providers will be subject to audit by the Department and will be required to demonstrate reimbursement of the cost share.

Providers will be reminded of the special processing cycle via a Banner Message posted to the April 12, 2011 Remittance Advice (RA).

