



**CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES**

Steven L. Beshear
Governor

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Janie Miller
Secretary

Elizabeth A. Johnson
Commissioner

May 5, 2010

RE: Revenue Tax Interception

Dear Medicaid Providers:

This letter is intended to notify you that beginning May 15, 2010 the Department for Medicaid Services (DMS) and the Department of Revenue are combining efforts to collect on outstanding debts due any Commonwealth of Kentucky State agency. If a Medicaid provider owes a debt to another state agency, the Department of Revenue will intercept the payment made by DMS and deduct the amount owed from the payment made to the Provider. In addition to the outstanding debt, the Department of Revenue adds and collects a 25% collection fee plus any interest to all tax interception cases.

Regardless of whether a provider is currently reimbursed via EFT or a paper check, a check will be received that week if the payment is intercepted. The check will either reflect a reduced amount if only a portion of the Medicaid reimbursement was intercepted or equal \$0 if the entire payment was intercepted. The Medicaid Remittance Advice received for that week will report the total amount paid to the provider before the intercept occurred.

Should you have any questions regarding any reduced compensation, you may contact the Department of Revenue call center at the toll free number listed on the check payment stub received.

Sincerely,

A handwritten signature in black ink that reads "Elizabeth A. Johnson" with a long horizontal line extending to the right.

Elizabeth A. Johnson
Commissioner

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