



**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

March 14, 2008

TO: All Providers
General Provider Letter A-79

RE: Medicaid Claims Payment Cycle
Upcoming Changes Effective April 4, 2008

Dear *KyHealth Choices* Provider:

This letter is to advise providers of upcoming changes in the current Medicaid claims payment cycle.

After the implementation of the new MMIS system, the Department for Medicaid Services temporarily eliminated the 21-day cash management claims hold process in order to prevent any further claims payment delays to our providers. EDS has worked to resolve some of the major issues with the new MMIS and after further evaluation, the Department for Medicaid Services has decided to reinstate the 21-day cash management claims hold. However, in order to make this process as seamless as possible to our providers, the Department for Medicaid Services has determined to reinstate the claims hold process on a sliding scale.

Effective April 4, 2008, claims will be required to age two (2) days to be released for payment. The number of days will increase by an additional two (2) days, each week, until the 21-day cash management claims hold process is fully reinstated. The following is the claim age requirement for each week:

| | |
|-------------------------|------------------------|
| APRIL 4, 2008 - 2 Days | MAY 9, 2008 - 12 Days |
| APRIL 11, 2008 - 4 Days | MAY 16, 2008 - 14 Days |
| APRIL 18, 2008 - 6 Days | MAY 23, 2008 - 16 Days |
| APRIL 25, 2008 - 8 Days | MAY 30, 2008 - 18 Days |
| MAY 2, 2008 - 10 Days | JUNE 6, 2008 - 19 Days |

(Please see reverse side)



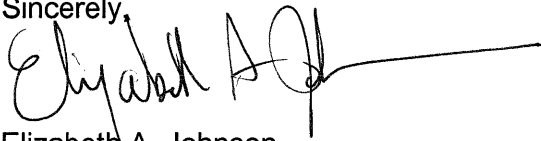
KyHealth Choices Provider

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If you have any questions regarding this letter, please contact your EDS provider representative at 1-800-807-1232. The Department for Medicaid Services appreciates your continued understanding as we make every effort to maximize available funding to serve the members of the Medicaid program.

Sincerely,

A handwritten signature in black ink, appearing to read "Elizabeth A. Johnson", with a long horizontal line extending to the right.

Elizabeth A. Johnson
Commissioner

Xc: All Providers; General Provider Letter A-79

EAJ/CB/NW/amd00415