CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES

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Audrey Tayse Haynes
Secretary

Lawrence Kissner
Commissioner

May 3, 2013

To: Nursing Facility Providers (12)
Provider Letter #A-246

Re: May and June 2013 Medicaid Payments

Dear Kentucky Medicaid Provider:

The purpose of this letter is to notify Nursing Facility providers that the Department for Medicaid Services (DMS) will not issue the monthly Medicaid payment to Nursing Facilities during June 2013. DMS will make two payments in July for May & June 2013 services to restore payments to their routine schedule. This action is being taken as a budget balancing measure for State Fiscal Year 2013 which ends June 30th, 2013.

Facilities should bill May's services to DMS per their normal claims' submission schedule. DMS will adjudicate the claims, but will place a payment "hold" on the claims submitted, releasing the hold in July 2013. Facilities will receive a wire transfer for the May 2013 services on or about Friday, July 5, 2013. DMS will resume normal payment processing cycles beginning in July, 2013. Facilities will receive payment for June 2013 services on or about Friday, July 12, 2013.

If facilities experience an extreme hardship resulting from DMS cash management during June 2013, DMS will allow said facilities to request payment based on the hardship criteria described in 907 KAR 1:671. The hardship criteria in this regulation apply only to repayment to DMS for overpayments; however documentation requirements apply for the cash management initiative as well. The regulation states that, "A written declaration of undue hardship shall include the following:

(a) Copies of financial statements which indicate payment in full within sixty (60) calendar days would create an undue hardship; and
(b) Copies of notarized letters from at least two (2) financial institutions indicating the provider's loan request was denied for the overpayment amount"

All requests for financial hardship consideration should be addressed in writing to the Division of Administration and Financial Management, 275 East Main Street, Mailstop 6W-A, Frankfort, KY 40621. Any request for a financial hardship declaration and all required documentation mentioned above must be received by May 27, 2013.

Sincerely,

Lawrence Kissner
Commissioner

NW/PC/SB