

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

| | |
|--------------------|------------------------|
| TO <i>Supra</i> | DATE <i>5/28/13</i> |
|--------------------|------------------------|

| DIRECTOR'S USE ONLY | ACTION REQUESTED |
|---|---|
| 1. LOG NUMBER <i>000371</i> | <input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____ |
| 2. DATE SIGNED BY DIRECTOR <i>CC: Mr. Geck</i> <i>Cleared 6/3/13, letter attached</i> | <input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>6/6/13</i> |
| | <input type="checkbox"/> FOIA DATE DUE _____ |
| | <input type="checkbox"/> Necessary Action |

| APPROVALS (Only when prepared for director's signature) | APPROVE | * DISAPPROVE (Note reason for disapproval and return to preparer.) | COMMENT |
|---|---------|--|---------|
| 1. | | | |
| 2. | | | |
| 3. | | | |
| 4. | | | |

Powanda Adams Cooper

From: Powanda Adams Cooper
Sent: Friday, May 24, 2013 2:11 PM
To: Nancy Sharpe
Subject: RE: Claims for Health South
Attachments: HealthSouth Request.docx

Nancy,

The HealthSouth claims have been processed. They reported on the 05/24/13 payment date under the HHSREJ remittance advice. We processed a total of 133 claims. There were 126 claims that suspended in-house for MCCS to apply HHSREJ. I have retrieved copies of these ECF's. There were five claims which rejected (instead of suspending) based on the 950 and 951 edits so MCCS was unable to apply HHSREJ. We are unable to locate these ECF's as they appear to be somewhere in cyberspace since the NPI's are not registered with SC Medicaid.

See attached DRAFT response to provider. Let me know if further revisions are needed or whether you are going to forward the letter to Director Keck (or his designee) for signature so that I can provide you with the ECF's to accompany the letter.

Thanks!

From: Nancy Sharpe
Sent: Tuesday, May 14, 2013 9:56 AM
To: Powanda Adams Cooper
Cc: Pheobia Cooper
Subject: Claims for Health South

Powanda,

I have a letter and many claims from Health South requesting that we process their claims to get a denial. HealthSouth is not an enrolled provider and the services are not covered. However, the facility has asked that we run their claims through so they can write off bad debt. I talked with Felicia and we figured out that we can send these to MCCS to be keyed but they won't reject back to the provider but they will report on the HHSREJ remittance. This remittance does produce ECFs so we need someone to send these to MCCS then monitor in next weeks remit, pull the remit and respond back to this provider. Is this something that Dwayne could handle for us? I have the stack of claims. Thanks

May 24, 2013

Ms. Kathy Atkinson
Director of Reimbursement
HealthSouth Corporation
3660 Grandview Parkway
Suite 200
Birmingham, AL 35243

Dear Ms. Atkinson:

South Carolina Medicaid has received your request to process UB04 claims through our system for HealthSouth Rehabilitation Hospital (facilities in Columbia, Charleston and Florence) and AnMed Health Rehabilitation Hospital in order for you to meet the "must bill" policy for Medicare bad debt reimbursement. To reiterate, South Carolina Medicaid is not a source of payment and has no liability for payment of these claims as these facilities are not enrolled in South Carolina Medicaid and we do not cover inpatient services in a freestanding rehabilitation hospital.

We have honored your request to process the claims to produce the appropriate rejections for the purposes as stated above. There is no further resolution required for these rejected claims. For the record, we received and processed a total of 133 original claims. However, there were a total of 139 recipients identified on the listings you submitted for the four facilities. Please note that we did not receive original claims for following six recipients: Ramchandani, Girdhari (Columbia); Anderson, Clyde (Florence); Couthen, Elois (Florence); Marlow, Dessie (Florence); Douglas, Geraldine (Florence) and Morrow, Samantha (AnMed).

Attached you will find 128 claim rejections. The five remaining claim rejections [for recipients: Frances Strickland (Florence); Varion Hodge (Florence); Dan Mack (Florence); Anthony Marshall (Columbia) and Delbert McKee (AnMed)] are not included as the system did not allow us to retrieve a copy of the rejections.

We hope that we have successfully completed your request. If you have any questions, please let us know.

Sincerely,

Director of Medicaid Programs

May 24, 2013

Ms. Kathy Atkinson
Director of Reimbursement
HealthSouth Corporation
3660 Grandview Parkway
Suite 200
Birmingham, AL 35243

Dear Ms. Atkinson:

South Carolina Medicaid has received your request to process UB04 claims through our system for HealthSouth Rehabilitation Hospital (facilities in Columbia, Charleston and Florence) and AnMed Health Rehabilitation Hospital in order for you to meet the "must bill" policy for Medicare bad debt reimbursement. To reiterate, South Carolina Medicaid is not a source of payment and has no liability for payment of these claims as these facilities are not enrolled in South Carolina Medicaid and we do not cover inpatient services in a freestanding rehabilitation hospital.

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We hope that we have successfully completed your request. If you have any questions, please let us know.

Sincerely,

Director of Medicaid Programs

HEALTHSOUTH

May 3, 2013

Mr. Anthony Keck
Director, Department of Health and Human Services
State of South Carolina
P.O. Box 8206
Columbia, SC 29202

Dear Mr. Keck:

HealthSouth Rehabilitation Hospital of Florence (HealthSouth Florence) is not enrolled in the Medicaid program in South Carolina because the services performed at the hospital are not covered by the program in a freestanding rehabilitation facility. The Medicaid Program would not have any liability for the patient deductible and copayment amounts. These amounts would be eligible to be reimbursed at 65% from the Medicaid program as a Medicaid bad debt, if we could meet Medicare's "must bill" policy. In order for a Medicaid bad debt to be allowable, a provider must demonstrate, among other things, that no other source, including the State, is responsible for the payment. Pursuant to a Joint Signature Memorandum issued by CMS as a "clarification" of its policy on August 10, 2004, JSM-370, a provider must bill and receive a remittance advice from the State in cases where the State owes nothing or only a portion of a dual eligible patient's Medicare deductible or copayment.

The courts have ruled that a provider must bill the Medicaid program, even if they do not have a provider number, to meet this must bill policy requirement. Accordingly, attached are UB04's for the dual eligible patients. HealthSouth Florence respectfully requests that South Carolina Medicaid recognize the attached UB's as billings and issue a no pay remittance advice or other correspondence to meet the "must bill" policy for Medicaid bad debt reimbursement. Attached is a list of the claims that are dual eligible and could be claimed as a Medicaid bad debt. The Medicaid eligibility has been confirmed.

If you agree, please return the attached letter and list of claims or issue a remittance advice to confirm that South Carolina Medicaid is not a source of payment for these claims.

We sincerely appreciate your cooperation on this issue. If you have questions, or would like to discuss, please contact me at 205-968-4425.

Sincerely,

Kathy Atkinson

Kathy Atkinson

Director of Reimbursement

3660 Grandview Parkway, Suite 200 • Birmingham, AL 35243
205 967-7116 • Fax 205 262-8708
www.healthsouth.com

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MAY 13 2013

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Mr. Anthony Keck
Director, Department of Health and Human Services
State of South Carolina
P.O. Box 8206
Charleston, SC 29202

Dear Mr. Keck:

HealthSouth Rehabilitation Hospital of Charleston (HealthSouth Charleston) is not enrolled in the Medicaid program in South Carolina because the services performed at the hospital are not covered by the program in a freestanding rehabilitation facility. Some of the patients treated at HealthSouth Charleston are dual eligible patients. The Medicaid Program would not have any liability for the patient deductible and copayment amounts. These amounts would be eligible to be reimbursed at 65% from the Medicare program as a Medicare bad debt, if we could meet Medicare's "must bill" policy. In order for a Medicare bad debt to be allowable, a provider must demonstrate, among other things, that no other source, including the State, is responsible for the payment. Pursuant to a Joint Signature Memorandum issued by CMS as a "clarification" of its policy on August 10, 2004, JSM-370, a provider must bill and receive a remittance advice from the State in cases where the State owes nothing or only a portion of a dual eligible patient's Medicare deductible or copayment.

The courts have ruled that a provider must bill the Medicaid program, even if they do not have a provider number, to meet this must bill policy requirement. Accordingly, attached are UB04's for the dual eligible patients. HealthSouth Charleston respectfully requests that South Carolina Medicaid recognize the attached UB's as billings and issue a no pay remittance advice or other correspondence to meet the "must bill" policy for Medicare bad debt reimbursement. Attached is a list of the claims that are dual eligible and could be claimed as a Medicare bad debt. The Medicaid eligibility has been confirmed.

If you agree, please return the attached letter and list of claims or issue a remittance advice to confirm that South Carolina Medicaid is not a source of payment for these claims.

We sincerely appreciate your cooperation on this issue. If you have questions, or would like to discuss, please contact me at 205-968-4425.

Sincerely,



Kathy Atkinson

Director of Reimbursement

3660 Grandview Parkway, Suite 200 • Birmingham, AL 35243
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www.healthsouth.com

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May 3, 2013

Mr. Anthony Keck
Director, Department of Health and Human Services
State of South Carolina
P.O. Box 8206
Charleston, SC 29202

Dear Mr. Keck:

AnMed Health Rehabilitation Hospital (AnMed) is not enrolled in the Medicaid program in South Carolina because the services performed at the hospital are not covered by the program in a freestanding rehabilitation facility. Some of the patients treated at AnMed are dual eligible patients. The Medicaid Program would not have any liability for the patient deductible and copayment amounts. These amounts would be eligible to be reimbursed at 65% from the Medicaid program as a Medicaid bad debt, if we could meet Medicaid's "must bill" policy. In order for a Medicaid bad debt to be allowable, a provider must demonstrate, among other things, that no other source, including the State, is responsible for the payment. Pursuant to a Joint Signature Memorandum issued by CMS as a "clarification" of its policy on August 10, 2004, JSM-370, a provider must bill and receive a remittance advice from the State in cases where the State owes nothing or only a portion of a dual eligible patient's Medicaid deductible or copayment.

The courts have ruled that a provider must bill the Medicaid program, even if they do not have a provider number, to meet this must bill policy requirement. Accordingly, attached are UB04's for the dual eligible patients. AnMed respectfully requests that South Carolina Medicaid recognize the attached UB's as Medicaid bad debt reimbursement. Attached is a list of the claims that are dual eligible and could be claimed as a Medicaid bad debt. The Medicaid eligibility has been confirmed.

If you agree, please return the attached letter and list of claims or issue a remittance advice to confirm that South Carolina Medicaid is not a source of payment for these claims.

We sincerely appreciate your cooperation on this issue. If you have questions, or would like to discuss, please contact me at 205-968-4425.

Sincerely,

Kathy Atkinson

Kathy Atkinson

Director of Reimbursement

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205 967-7116 • Fax 205 262-8708
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May 3, 2013

Mr. Anthony Keck

Director, Department of Health and Human Services

State of South Carolina

P.O. Box 8206

Columbia, SC 29202

Dear Mr. Keck:

HealthSouth Rehabilitation Hospital of Columbia (HealthSouth Columbia) is not enrolled in the Medicaid program in South Carolina because the services performed at the hospital are not covered by the program in a freestanding rehabilitation facility. Some of the patients treated at HealthSouth Columbia are dual eligible patients. The Medicaid Program would not have any liability for the patient deductible and copayment amounts. These amounts would be eligible to be reimbursed at 65% from the Medicaid program as a Medicaid bad debt, if we could meet Medicaid's "must bill" policy. In order for a Medicaid bad debt to be allowable, a provider must demonstrate, among other things, that no other source, including the State, is responsible for the payment. Pursuant to a Joint Signature Memorandum issued by CMS as a "clarification" of its policy on August 10, 2004, JSM-370, a provider must bill and receive a remittance advice from the State in cases where the State owes nothing or only a portion of a dual eligible patient's Medicare deductible or copayment.

The courts have ruled that a provider must bill the Medicaid program, even if they do not have a provider number, to meet this must bill policy requirement. Accordingly, attached are UB04's for the dual eligible patients. HealthSouth Columbia respectfully requests that South Carolina Medicaid recognize the attached UB's as billings and issue a no pay remittance advice or other correspondence to meet the "must bill" policy for Medicaid bad debt reimbursement. Attached is a list of the claims that are dual eligible and could be claimed as a Medicaid bad debt. The Medicaid eligibility has been confirmed.

If you agree, please return the attached letter and list of claims or issue a remittance advice to confirm that South Carolina Medicaid is not a source of payment for these claims.

We sincerely appreciate your cooperation on this issue. If you have questions, or would like to discuss, please contact me at 205-968-4425.

Sincerely,

Kathy Atkinson

Director of Reimbursement

3660 Grandview Parkway, Suite 200 • Birmingham, AL 35243
205 967-7116 • Fax 205 262-8708
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June 3, 2013

Ms. Kathy Atkinson
Director of Reimbursement
HealthSouth Corporation
3660 Grandview Parkway
Suite 200
Birmingham, AL 35243

Dear Ms. Atkinson:

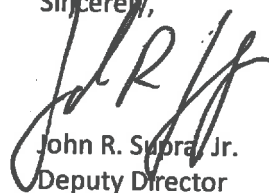
South Carolina Medicaid has received your request to process UB04 claims through our system for HealthSouth Rehabilitation Hospital (facilities in Columbia, Charleston and Florence) and AnMed Health Rehabilitation Hospital in order for you to meet the "must bill" policy for Medicare bad debt reimbursement. To reiterate, South Carolina Medicaid is not a source of payment and has no liability for payment of these claims as these facilities are not enrolled in South Carolina Medicaid and we do not cover inpatient services in a freestanding rehabilitation hospital.

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We hope that we have successfully completed your request. If you have any questions, please let us know.

Sincerely,


John R. Supra, Jr.
Deputy Director

JRS:s