

June 16, 1992

SUBJECT: INSURANCE

CIRCULAR LETTER NO. 10, (1992)

TO: ALL INSURERS, EXCEPT ARTICLE 43 CORPORATIONS, LICENSED TO WRITE ACCIDENT AND HEALTH INSURANCE IN NEW YORK STATE

RE: PAYMENTS FOR HOSPITAL SERVICES REQUIRED BY CHAPTER 55 OF THE LAWS OF 1992

Chapter 55 of the Laws of 1992 establishes a Supplementary Payment Rate Conversion Factor Statewide Pool to be funded by the deposit of an eleven percent Supplementary Payment Rate Conversion Factor which general hospitals must charge patients who are discharged between April 1, 1992 and March 31, 1993 and who are insured under a commercial insurer licensed to do business in this state, authorized to write accident and health insurance and whose policy provides inpatient hospital coverage on an expense incurred basis. The Supplementary Payment Rate Conversion Factor, when combined with the present Payment Rate Conversion Factor of thirteen percent, will result in a total Payment Rate Conversion Factor of twenty four percent.

Recognizing the immediate effective date of this statutory requirement, the Insurance Department is issuing this Circular Letter to establish guidelines to ease its implementation. The Department may, if necessary, promulgate a regulation to address issues that arise relating to this legislation.

The guidelines applicable to commercial insurers in determining reimbursement to hospitals for patients insured under commercial insurance coverage for inpatient hospital benefits on an expense incurred basis are as follow:

1. The Supplementary Payment Rate Conversion Factor applies to payments made on an expense incurred basis under accident and health policies issued by commercial insurers, including minimum premium type plans.

Minimum premium type plans are subject to payment of the Supplementary Payment Rate Conversion Factor because such plans are accident and health insurance policies which provide inpatient hospital coverage on an expense incurred basis. These plans are subject to the approval of the Superintendent and must provide for all statutorily mandated benefits. Furthermore, a commercial insurer issuing a minimum premium plan is required to take primary responsibility for the payment of claims incurred but not yet paid upon termination of the plan and should maintain full runoff reserves.

2. The Supplementary Payment Rate Conversion Factor does not apply to payments made under a stop-loss policy issued by a commercial insurer. While stop-loss coverage is accident and health insurance, it is generally designed to indemnify an employer for losses incurred under a self-funded plan in excess of a specified loss limit. It does not provide inpatient coverage on an expense incurred basis within the meaning of Chapter 55 of the Laws of 1992.

3. The Supplementary Payment Rate Conversion Factor does not apply to self-funded plans administered by a commercial insurer or a third party administrator.

4. The Supplementary Payment Rate Conversion Factor does not apply to payments made under hospital indemnity policies which provide a fixed payment per day of confinement without regard to actual expenses incurred during the stay.

5. Insurers should implement procedures to assist hospitals in properly identifying which patients are covered under plans subject to the Supplementary Payment Rate Conversion Factor. Acceptable procedures would include use of an identification card which clearly indicates that the carrier's role is that of an ASO contractor or inclusion of a statement in an Explanation of Benefits form, or by separate document submitted with the Explanation of Benefits form, describing the carrier's role as an ASO contractor.

Until such procedures are implemented, hospitals have been instructed by the Department of Health to include the 11% Supplementary Payment Rate Conversion Factor in all claims submitted to commercial insurers. It will be the insurer's responsibility to adjust such claims which are exempt from payment of the 11% Supplementary Payment Rate Conversion Factor as set forth in this Circular Letter.

By letter dated May 8, 1992, the Department of Health provided guidance to hospital administrators and comptrollers in meeting the payment and reporting requirements imposed on hospitals under the law. A copy of that letter is attached to this Circular Letter. The Health Department letter should assist insurers in understanding the hospital's role in the implementation of the legislation. It also addresses issues relating to the payment of the Supplementary Payment Rate Conversion Factor that concern insurers.

The following four guidelines, taken from the Department of Health letter, should be of special interest to insurers:

1. The Supplementary Payment Rate Conversion Factor applies regardless of whether the insurer pays the hospital directly, allows for assignment of benefits or uses a two-party check system of payment.

2. The Supplementary Payment Rate Conversion Factor does not apply when the commercial carrier is determined to be a secondary payor (i.e., a "charge" payor).

3. For inpatient services rendered at facilities where the hospital or a distinct unit of the hospital is not reimbursed on a case based payment per DRG, payment shall be at the per diem payment amount increased by the thirteen percent Payment Rate Conversion Factor plus the eleven percent Supplementary Payment Rate Conversion Factor (or the per diem payment amount increased by twenty four percent).

4. The statutory two percent discount currently available to a commercial carrier when payment in full is made to the general hospital for covered hospital services within ten calendar days from receipt of full billable services applies to the full payment rate including the eleven percent Supplementary Payment Rate Conversion Factor.

Also attached for your information is a copy of the Department of Health's June 16, 1992 letter to hospitals on the Supplementary Payment Rate Conversion Factor.

Please acknowledge receipt of this letter to Fredric L. Bodner, Chief, Health and Life Policy Bureau, New York Insurance Department, Agency Building 1, Empire State Plaza, Albany, New York 12257.

Very truly yours,

SALVATORE R. CURIALE

SUPERINTENDENT OF INSURANCE

June 16, 1992

Dear Administrator/Controller:

In our transmittal of May 8, 1992 guidance was provided regarding the Supplementary Payment Rate Conversion Factor (SPRCF), along with notice that the due date of the first payment was postponed to June 15, 1992. NOTICE HAS RECENTLY BEEN PROVIDED THROUGH EMAIL THAT THE DUE DATE FOR FIRST PAYMENT TO

THE STATE HAS BEEN FURTHER POSTPONED UNTIL JULY 15, 1992.

The following will provide additional information regarding the types of policies and arrangements to which the SPRCF will apply. We have also attached a directive sent to all New York State licensed commercial insurance carriers by the State Insurance Department describing the types of health insurance policies impacted by the SPRCF.

SELF-INSURED PLANS

The 11% Supplementary Payment Rate Conversion Factor will apply only to claims payable under commercial insurance policies which provide inpatient hospital coverage on an expense incurred basis. The SPRCF will not apply to claims made to self insured plans, including those administered by a commercial carrier or third-party agent, whether or not the self-insured fund has insured protection through stop-loss coverage. Furthermore, the SPRCF will not apply to stop loss coverage payments made on behalf of such self-insured plans.

As indicated in previous correspondence, hospitals should assume that coverage represented by a commercial insurance card holder is a health insurance policy to which the SPRCF is applicable and the 11% SPRCF should be billed and separately stated, (see below). Insurers have been directed to implement procedures to assist hospitals in properly identifying which patients are covered under plans subject to the SPRCF. Until such procedures are implemented, it will be the commercial insurers responsibility to adjust claims to remove the 11% Supplementary Differential for payments otherwise exempted from this requirement. To assist payors in making such adjustments, and to avoid any potential delay in claims processing, we strongly suggest that all billings for dates of service on or after April 1, 1992 specifically state whether or not the SPRCT has been included along with itemizing the amount relating to such additional charge.

Furthermore, if a hospital has evidence, or has been advised, that an affected commercial insurer will not, or has not, met their legal obligation to pay the 11% Supplementary Differential, the hospital should provide formal notice to the Department (at the address indicated below) which should include appropriate descriptive detail and any available documentation. The Department will assume responsibility for pursuing appropriate action.

REPORTS AND PAYMENTS

When making estimated payments based on claims made to commercial insurers, you may apply a standard 40% reduction (see form, i.e. ASO adjustment) to represent an estimate of the portion of total billings to commercial carriers which they will ultimately deem exempt from the SPRCF (i.e. in instances where they are acting as an administrator to a self-insured fund). The estimated amount remaining after this reduction will be further reduced by 20% which represents a proxy for a standard beneficiary coinsurance arrangement. The standard proxies stated above must be used when making estimated payments. Hospitals shall adjust these estimates to actual subsequent to claims adjudication by the affected commercial health insurance carrier.

Note that although this first reporting will cover discharges from April 1, 1992 though June 30, 1992, separate reports are required for each month. Note also that there will be no reconciliation adjustments until the report for the month of July is filed by August 15, 1992. This is due to the fact that for the initial filing, each month's report (i.e., April, May and June) will include, on an actual basis, all claims (by month of discharge) that have been adjudicated by the due date (July 15, 1992) and, on an estimated basis, any claims not adjudicated. We have also enclosed a revised report which reflects the above described adjustments and which should be submitted along with your payments.

If you should have any questions concerning the SPRCF, please direct them to:

Mr. Richard Pellegrini

Director

Bureau of Financial Management and Information Support

Nelson A. Rockefeller

Empire State Plaza

Corning Tower Building, Room 984

Albany, NY 12237

(518) 474-1673

Sincerely

[SIGNATURE]

Steven C. Anderman

Deputy Director

Division of Health Care Financing

COMMERCIAL INSURANCE COVERAGE 1992-93 MONTHLY SUPPLEMENTARY PAYMENT RATE
CONVERSION FACTOR REPORT

INSTRUCTIONS

GENERAL INSTRUCTIONS:

This form is to be used on a monthly basis to calculate the liability of each general hospital for the payment of the Supplementary Payment Rate conversion Factor (SPRCF) as it applies to inpatient services provided to patients covered by commercial insurance. A separate report should be submitted for each month. The report and payment are to be received (not postmarked) by the Fund Administrator no later than the 15th of each month.

When filling out the report, enter whole dollar amounts only.

CERTIFICATION PAGE:

Provider/preparer information. Enter all provider information (name, address and operating certificate numbers) and preparer information (name, title and telephone number).

Certification. The Chief Executive/Financial Officer and/or Administrator must certify that the reported information is correct by signing his/her name in the designated space under the CERTIFICATION section.

REPORTED INFORMATION PAGE:

Enter the following information:

Month ending. Enter the month that the information is being reported for.

Operating certificate number. Enter the facility's operating certificate number.

Discharges/Exempt Unit Days information. Enter the total number of commercial carrier insured discharges and exempt unit days and further segregate by unpaid and paid for the month reported.

DISCHARGES column:

Estimated receipts on unpaid accounts. Enter total estimated receipts for accounts relating to commercial carrier discharges during the reporting month that have not been paid. Include both the 13% differential and the SPRCF (11%).

Less: 40% (ASO) adjustment. This adjustment represents a standard (not to be changed) estimate of the percentage of cases that commercial carriers act as an Administrative Services Only (ASO) agent of self-insured funds. Calculate this adjustment by multiplying the amount of all estimated receipts by .40 and enter the result.

Subtotal. Calculate the subtotal by subtracting the amount entered for the ASO adjustment from the amount entered for estimated receipts on unpaid accounts and enter the result.

Less: 20% coinsurance. This represents a standard (not to be changed) estimate of the percentage of patient coinsurance liability. Calculate this adjustment by multiplying the previous subtotal by .20 and enter the result.

Less: Other adjustment. This line is reserved and should be left blank. This line will be used for future standard, industry-wide adjustments deemed necessary by the Department of Health (DOH).

Net estimated receipts. Calculate the net estimated receipts by adding the amounts entered for coinsurance and other adjustment; subtract this sum from the subtotal and enter the result.

Actual receipts. Enter the amount of actual receipts relating to discharges during the reporting month for which payment has been received.

Total receipts. Calculate the total receipts by adding the amounts entered for net estimated receipts and actual receipts and enter the result.

EXEMPT UNIT DAYS column:

Follow the same basic instructions on a line for line basis for exempt unit days that occurred during the reporting month as described for the Discharges column and enter the appropriate information.

TOTAL column:

On a line by line basis, add the amounts entered in the Discharges column and the amounts entered in the Exempt Unit Days column together; enter those results in the Total column.

Total receipts: This is the amount entered for total receipts in the Total column (C); record the amount here. (NOTE: Amounts entered for total receipts in (A) and (B) should equal the amount entered in (C).)

Gross payment due for current month: Calculate the gross payment due by dividing total receipts (C) by 1.24 and multiplying that result by .11; record the amount here.

Reconciliation adjustment: Refer to the subsequent instructions for calculating the reconciliation adjustment; record the adjustment amount here.

Net payment due for current month: Calculate the net payment due for current month by adding the amounts, gross

payment due for current month, and reconciliation adjustment; record the amount here. This is the amount that is payable to the Fund Administrator.

(i) Reconciliation Adjustment (for reports due on and after 8/15/92).

(1) Actual receipts during month related to prior month pool payments made on an estimated basis. Enter the amount of actual receipts relating to accounts reported on an estimated basis in prior months.

(2) Net estimated receipts originally reported and relating to such claims [(1)]. Enter the amount originally reported as net estimated receipts relating to the accounts for which actual receipts (# 1 above) have been received during the month.

(3) Adjustment to actual receipts [(1) - (2)]. Calculate the adjustment to actual receipts by subtracting the amount entered for net estimated receipts originally reported and relating to such claims (2) from the amount entered for actual receipts related to such claims (1) and enter the result.

(4) Reconciliation adjustment [(3)/1.24 * .11]. Calculate the reconciliation adjustment by dividing the amount entered for adjustment to actual receipts (3) by 1.24 and multiply the result by .11; record the amount here.

Monthly payment checks must be made payable to:

1992-93 Supplementary Payment Rate Conversion Factor Statewide Pool Mail the monthly reports and checks to the following address:

Mr. Herbert Radeker

SPRCF Administrator

Blue Cross/Blue Shield of Central New York

344 South Warren Street

Syracuse, NY 13202

STATE OF NEW YORK

DEPARTMENT OF HEALTH

OFFICE OF HEALTH SYSTEMS MANAGEMENT

COMMERCIAL INSURANCE COVERAGE 1992-93 MONTHLY SUPPLEMENTARY PAYMENT RATE
CONVERSION FACTOR REPORT

PROVIDER NAME:

ADDRESS:

OPERATING CERTIFICATE NO.:

COMPLETED BY:

TITLE:

TELEPHONE: ()

Monthly checks should be made payable to:

1992-93 Supplementary Payment Rate Conversion Factor Statewide Pool

Mail to: Mr. Herbert Radeker
 SPRCF Administrator
 Blue Cross/Blue Shield of Central New York
 344 South Warren Street
 Syracuse, NY 13202

CERTIFICATION

I, , CERTIFY THAT I AM THE CHIEF EXECUTIVE/FINANCIAL OFFICER AND/OR ADMINISTRATOR OF THE ABOVE NAMED FACILITY, AND FURTHER CERTIFY THAT THE DATA BEING REPORTED HAS BEEN CAREFULLY PREPARED IN ACCORDANCE WITH INSTRUCTIONS CONTAINED HEREIN FROM THE BOOKS AND RECORDS WITHIN THIS FACILITY, AND TO THE BEST OF MY KNOWLEDGE, I BELIEVE THE INFORMATION PRESENTED HEREIN IS ACCURATE AND CORRECT.

STATE OF NEW YORK

DEPARTMENT OF HEALTH

OFFICE OF HEALTH SYSTEMS MANAGEMENT

COMMERCIAL INSURANCE COVERAGE

1992-93 MONTHLY SUPPLEMENTARY PAYMENT RATE

CONVERSION FACTOR REPORT

MONTH ENDING: OPCERT/PROVIDER #:

UNPAID DISCHARGES	UNPAID EXEMPT UNIT DAYS		
PAID DISCHARGES	PAID EXEMPT UNIT DAYS		
TOTAL DISCHARGES	TOTAL EXEMPT UNIT DAYS		
	DIS- CHARGES	EXEMPT UNIT DAYS	TOTAL
EST. RECEIPTS ON UNPAID ACCOUNTS	\$	\$	\$
LESS: 40% ASO ADJUSTMENT	\$	\$	\$
--SUBTOTAL--	\$	\$	\$
LESS: 20% COINSURANCE	\$	\$	\$
LESS: OTHER			

	DIS- CHARGES	EXEMPT UNIT DAYS	TOTAL
ADJUSTMENT	\$	\$	\$
NET ESTIMATED			
RECEIPTS	\$	\$	\$

STATE OF NEW YORK

DEPARTMENT OF HEALTH

OFFICE OF HEALTH SYSTEMS MANAGEMENT

COMMERCIAL INSURANCE COVERAGE

1992-93 MONTHLY SUPPLEMENTARY PAYMENT RATE

CONVERSION FACTOR REPORT

MONTH ENDING: OPCERT/PROVIDER #:

	DIS- CHARGES	EXEMPT UNIT DAYS	TOTAL
UNPAID DISCHARGES		UNPAID EXEMPT UNIT DAYS	
PAID DISCHARGES		PAID EXEMPT UNIT DAYS	
TOTAL DISCHARGES		TOTAL EXEMPT UNIT DAYS	
EST. RECEIPTS ON UNPAID ACCOUNTS	\$	\$	\$
LESS: 40% ASO ADJUSTMENT	\$	\$	\$
--SUBTOTAL--	\$	\$	\$
LESS: 20% COINSURANCE	\$	\$	\$
LESS: OTHER ADJUSTMENT	\$	\$	\$
NET ESTIMATED RECEIPTS	\$	\$	\$
ACTUAL RECEIPTS	\$	\$	\$
TOTAL RECEIPTS	(A)\$	(B)\$	(C)\$

TOTAL RECEIPTS [(C)] \$

GROSS PAYMENT DUE FOR CURRENT MONTH (TOTAL RECEIPTS/1.24 * .11) \$

RECONCILIATION ADJUSTMENT (i) \$

NET PAYMENT DUE FOR CURRENT MONTH \$

(i) RECONCILIATION ADJUSTMENT (FOR REPORTS DUE ON AND AFTER 6/15/92):

(1) ACTUAL RECEIPTS DURING MONTH RELATED TO PRIOR MONTH	\$
POOL PAYMENTS MADE ON AN ESTIMATED BASIS	
(2) NET ESTIMATED RECEIPTS ORIGINALLY REPORTED AND RELATING TO SUCH CLAIMS [(1)]	\$
(3) ADJUSTMENT TO ACTUAL RECEIPTS [(1) - (2)]	\$
(4)-RECONCILIATION ADJUSTMENT [(3)/1.24 * .11]	\$

May 8, 1992

Dear Administrator/Controller:

In our letter of April 10, providing notice of the 11 percent differential on commercially insured inpatient payments, additional instructions were to be provided prior to the May 15 due date for the first payment. This letter will provide that further information, but will also serve NOTICE THAT THE DUE DATE FOR FIRST PAYMENT TO THE STATE IS POSTPONED UNTIL JUNE 15, 1992. Shortly, additional information will be provided to insurance companies and hospitals to help define the types of policies and arrangements to which the 11 percent differential is applicable, especially in situations where stop-loss contracts are utilized.

The following will provide further guidance regarding payments and reporting requirements necessary to implement this statutory requirement.

Applicability: The Supplementary Payment Rate Conversion Factor (SPRCF) of 11 percent applies to all claims for patients covered by commercial insurers licensed by New York State and authorized to write accident and health insurance policies which provide inpatient hospital coverage on an expense incurred basis regardless of whether the insurer pays the hospital directly, does or does not provide for assignment of benefits, or uses a two-party check system. Payors of inpatient claims to be made pursuant to the Workers' Compensation Law; Voluntary Firefighters' Benefit Law; Voluntary Ambulance Workers' Benefit Law; the Comprehensive Motor Vehicle Insurance Reparations Act; and the terms of any personal injury liability insurance policy, marine and inland marine insurance policy or marine protections and indemnity insurance policy are NOT required to pay the 11 percent Supplementary Payment Rate Conversion Factor and should NOT be charged this additional amount. The SPRCF also does not apply to self-insured plans administered by a commercial insurer if the entire plan does not include an insurance risk for the commercial insurance carrier. Until such time that procedures are developed for hospitals to identify commercial claims which are exempt from this requirement, hospitals should assume that coverage represented by a commercial insurance cardholder is an insurance policy affected by this law, and the SPRCF should be billed. As previously indicated, further instructions will be provided shortly to permit all affected parties to make these determinations.

Payor status: When the commercial insurer provides the primary coverage, payment will be equivalent to the case based payment rate per DRG increased by a 13 percent differential plus the additional 11 percent supplementary differential for a total of 24 percent. The payment liability of a commercial insurance carrier will not be affected when the carrier acts as the secondary payor (i.e., a "charge" payor). If a commercial carrier acts solely as an Administrative Services Only (ASO) agent of a self-insured fund, the 11 percent supplementary differential will not be required and the insurer will adjust the claim to remove this additional charge. Again, further instructions will be provided shortly to permit insurance companies to make this determination in advance of the June 15 due date for payment.

Exempt hospitals and exempt hospital units: For those facilities where the hospital or a distinct unit of the hospital

is not reimbursed on a case based payment per DRG, and the commercial insurer provides the primary coverage, payment shall be at the per diem payment amount increased by a 13 percent differential plus the 11 percent supplementary differential (or the per diem payment amount increased by 24 percent).

Requirement to make estimates: Estimated payments due to the SPRCF Statewide Pool for patients discharged (or receiving services for exempt units) in a calendar month must be made within 15 days of the end of each month unless payments of actual amounts due for such calendar month are made. The SPRCF will not apply to any claim payments or billings for patients discharged prior to April 1, 1992. Estimated receipts shall be reconciled to actual receipts on a monthly basis, commencing with the report due on July 15, 1992. Note that monthly reconciliations will be an ongoing activity, initiated on a claim by claim basis after adjudication by a commercial insurer. When a refined definition of applicable insurance coverage is available, the Department of Health will also supply further directives on the calculation of hospital estimated payments to the SPRCF Statewide Pool prior to the effective date of the first payment.

Co-insurance and Deductibles: When estimating payments on unpaid claims, the hospital should assume a standard 80/20 coinsurance arrangement (i.e., inclusion of the total differential of 24 percent should only apply to 80 percent of the inpatient claim). This estimate will be adjusted to reflect actual coinsurance and deductible offsets on a claim by claim basis upon subsequent pool payment reconciliation once the claim is adjudicated by the commercial insurer.

Discount: The current statutory two-percent discount available to a commercial insurance carrier when payment in full is made to the general hospital for covered hospital services within 10 calendar days from receipt of billable services applies to the full payment rate, including the 11 percent supplementary differential. This discount when appropriate, should only be applied to the hospital's SPRCF Statewide Pool payment upon reconciliation of a prior month's estimated pool payment. This does not mean that the 2 percent discount is subtracted from the 11 percent Supplementary Differential component (i.e., reducing it to 9 percent). Where prompt payment is made by a commercial insurer, the 11 percent Supplementary Differential should be calculated on a rate of payment which has been discounted by 2 percent (i.e, payment received divided by 1.24 times .11).

Charge cap: The maximum amount charged to any charge "class" payor remains unaffected by the SPRCF (i.e., 120 percent of the case based payment per discharge increased by the current 13 percent differential).

Interest and Penalties on untimely or inaccurate payments: If a monthly payment made by a hospital is untimely and/or determined by the Department to be inaccurate, or if a hospital fails to make a required monthly payment, Interest shall be due and payable to the SPRCF Statewide Pool by a hospital at a rate of 12 percent per annum but shall not be paid if the amount is less than \$ 1. If a payment is less than 70 percent of the amount due to the pool, a penalty shall be due and payable by the hospital at a rate of five percent on the difference between the amount paid and the amount due to the pool. An additional five percent penalty for each additional month, or fraction thereof, shall be due until payment is made but shall not exceed an aggregate of 25 percent. The Department of Health also has statutory authority to direct withholding of payments to be made to a hospital by the Department of Social Services (i.e., Medicaid), Article 43 Corporations (i.e., Blue Cross/Blue Shield) and Article 44 HMO of any arrearages owed to the SPRCF Statewide Pool.

Payment Due Dates: Payments will be made to the Supplementary Payment Rate Conversion Factor Statewide Pool. Blue Cross/Blue Shield of Central New York has been temporarily designated as the administrator of the SPRCF Statewide Pool. First payments, based on the estimated and/or actual paid claims for patients covered by commercial insurers, are due on June 15th for all patients discharged (or for exempt units receiving services) in April and May 1992. Succeeding month's payments are due 15 days following the month of discharge (or service for exempt units) based on the estimated and/or actual paid claims. Checks should be made payable to the 1992-93 Supplementary Payment Rate Conversion Factor Statewide Pool and transmitted with the monthly report to the following address:

Mr. Herbert Radeker
SPRCF Administrator

Blue Cross/Blue Shield of Central New York
344 South Warren Street
Syracuse, NY 13202

Checks and reports are to be received, not postmarked, by the SPRCF Administrator no later than the 15th day of the calendar month in which the report is due. If the 15th falls on a weekend or holiday, checks and reports are due on the first business day following the 15th. Failure to comply will result in interest and/or a penalty, as previously described.

Attached is the reporting form to be used when submitting monthly payments to the SPRCF Statewide Pool. If you have any further questions regarding payments to the pool, please direct them to Mr. Thomas Person of my staff at (518) 474-1673.

Sincerely,

Steven C. Anderman

Deputy Director

Division of Health Care Financing

Attachment

STATE OF NEW YORK

DEPARTMENT OF HEALTH

OFFICE OF HEALTH SYSTEMS MANAGEMENT

COMMERCIAL INSURANCE COVERAGE

1992-93 MONTHLY SUPPLEMENTARY PAYMENT RATE

CONVERSION FACTOR REPORT

PROVIDER NAME:

ADDRESS:

OPERATING CERTIFICATE NO.:

COMPLETED BY:

TITLE:

TELEPHONE: ()

CERTIFICATION

I, , CERTIFY THAT I AM THE CHIEF EXECUTIVE/FINANCIAL OFFICER AND/OR ADMINISTRATOR OF THE ABOVE NAMED FACILITY, AND FURTHER CERTIFY THAT THE DATA BEING REPORTED HAS BEEN CAREFULLY PREPARED IN ACCORDANCE WITH INSTRUCTIONS CONTAINED HEREIN FROM THE BOOKS AND RECORDS WITHIN THIS FACILITY, AND TO THE BEST OF MY KNOWLEDGE, I BELIEVE

THE INFORMATION PRESENTED HEREIN IS ACCURATE AND CORRECT.

STATE OF NEW YORK

DEPARTMENT OF HEALTH

OFFICE OF HEALTH SYSTEMS MANAGEMENT

COMMERCIAL INSURANCE COVERAGE

1992-93 MONTHLY SUPPLEMENTARY PAYMENT RATE

CONVERSION FACTOR REPORT

MONTH ENDING:

UNPAID DISCHARGES	ESTIMATED RECEIPTS \$
	(FOR DISCHARGES)
UNPAID EXEMPT UNIT DAYS	ESTIMATED RECEIPTS \$
	(FOR EXEMPT UNIT DAYS)
PAID DISCHARGES	ACTUAL RECEIPTS \$
	(FOR DISCHARGES)
PAID EXEMPT UNIT DAYS	ACTUAL RECEIPTS \$
	(FOR EXEMPT UNIT DAYS)
TOTAL DISCHARGES	
TOTAL EXEMPT UNIT DAYS	TOTAL RECEIPTS \$

GROSS PAYMENT DUE FOR CURRENT MONTH \$

(TOTAL RECEIPTS/1.24 * .11)

RECONCILIATION ADJUSTMENT (i) \$

NET PAYMENT DUE FOR CURRENT MONTH \$

(i) RECONCILIATION ADJUSTMENT

(FOR REPORTS DUE ON AND AFTER 6/15/92):

(1) ACTUAL RECEIPTS DURING MONTH RELATED TO PRIOR MONTH POOL PAYMENTS MADE ON AN ESTIMATED BASIS	\$
(2) ESTIMATED RECEIPTS' ORIGINALLY REPORTED AND RELATING TO SUCH CLAIMS [(1)]	\$
(3) ADJUSTMENT TO ACTUAL RECEIPTS [(1) - (2)]	\$
(4) RECONCILIATION ADJUSTMENT [(3)/1.24 * .11]	\$

Monthly checks should be made payable to:

1992-93 Supplementary Payment Rate Conversion Factor Statewide Pool

Mail to: Mr. Herbert Radeker
SPRCF Administrator
Blue Cross/Blue Shield of Central New York
344 South Warren Street
Syracuse, NY 13202

NEW YORK INSURANCE NOTICES AND BULLETINS

April 18, 1991

SUBJECT: INSURANCE

WITHDRAWN

Circular Letter No. 7 (1991)

TO: ALL AUTOMOBILE SELF-INSURERS AND INSURERS LICENSED TO WRITE AUTOMOBILE
INSURANCE IN NEW YORK

RE: (1) UPDATED NO-FAULT REIMBURSEMENT SCHEDULES FOR HOSPITAL INPATIENT SERVICES;

(2)- MILEAGE REIMBURSEMENT FOR NO-FAULT CLAIMANTS ON AND AFTER JANUARY 1, 1982; and

(3) NEW YORK STATE HEALTH DEPARTMENT REGULATION FOR RESOLUTION OF HOSPITAL
INPATIENT SERVICES DISPUTES EFFECTIVE JANUARY 1, 1991

Pursuant to Regulation No. 83 (11 NYCRR 68.2), the No-Fault rate schedules for reimbursing hospital services provided for under Section 5102(a)(1) of the Insurance Law shall be in conformity with Section 2807-c of the Public Health Law.

This Circular Letter advises Ned No-Fault insurers that the State of New the period January 1, 1991 through December 31, 1991 for hospital inpatient York Department of Health has calculated initial- rates of reimbursement for services incurred in 1991.

Upon receipt of a written request from the senior claims officer of your company, the Insurance Department will furnish one copy of the 1991 DRG data to your company. Since this data has been provided to Workers' Compensation insurers, please request it only if you have not previously received it from another source. You should make this information available to, all your claims personnel who are responsible for the review of hospital inpatient billings payable under the No-Fault law.

Written requests for the DRC information concerning inpatient hospital services and a copy of the N.Y.S. Health Department regulation explaining the hospital dispute resolution system can be sent to:

New York State Insurance Department

Property & Casualty Insurance Bureau

160 West Broadway

New York, N.Y. 10013-3393

Attn.: Edward T. McGuiness, Senior Examiner

Revisions to data previously supplied for Adirondack Regional Hospital, St. James Mercy Hospital and Salamanca District Hospital are attached. This revised data will enable No-Fault insurers to review revised billings from these hospitals if they are received.

The Department has also received revised copies of sample case payment rate computation sheets. We are attaching copies of these computation sheets for your information and use in computing correct DRG payments.

The Workers' Compensation Board promulgates mileage reimbursement rates for claimant's automobile travel expense incurred. The rates which are utilized for no-fault claims are listed below:

1/1/82 to 2/26/89 @ \$.23 per mile

2/27/89 to 1/15/90 @ \$.24 per mile

1/16/90 to 2/19/90 @ \$.25.5 per mile

2/20/90 to 12/31/90 @ \$.26 per mile

1/1/91 to present @ \$.27.5 per mile

Any questions or problems with regard to the foregoing information should be brought to the attention of Mr. McGuiness at (212) 602-0334.

Very truly yours,

[SIGNATURE]

Salvatore R. C riale

Superintendent of Insurance

[See table in printed version.]