

**Information for Insurers on Implementing New Public Health Law Requirements for Children Receiving Services in the Early Intervention Program (EIP)**

The following is information to assist insurers in working with the Department of Health's State Fiscal Agents (SFA) in implementing new public health law requirements.

**Interim State Fiscal Agent**

James McGuinness and Associates, Inc.  
James McGuinness/Tim Frament  
263 State Street  
Schenectady, New York 12305  
(518) 393-3635

**Final State Fiscal Agent**

Public Consulting Group, Inc.  
Rob Lillpopp  
518-375-2400  
99 Washington Avenue  
Albany, NY 12210  
PublicConsultingGroup.com

**Requirements for Timely and Proper Adjudication of (EIP) Claims**

To assure the efficient and timely adjudication of claims, including any required supplemental communication needed to adjudicate a claim, all Remittance Advices for EIP services must be directed to the SFA in an electronic format regardless of the provider's relationship with the insurer (e.g., in network vs. out of network, par/non-par, etc.). [See, Public Health Law (PHL) §§ 2557(5)(a) & 2559 (3)(a)(iii)]

All Electronic Remittance Advice (ERA) must be routed to the SFA for accounting and accountability purposes. The SFA is responsible for the management of all fiscal claiming and must have the capacity to record, monitor, track, ensure follow-up, and report on the adjudication status of all EIP claims, for both covered and non-covered services. [See, PHL §§ 2557(5)(a) & 2559(3)(a)(iii)]

All payments for EIP claims (check or electronic fund transfers (EFTs) must be routed to the EI Provider. Direct payment to providers ensures timely and proper payment to providers. All payments should be solely for EI services to ensure that the payments and the ERA do not have to be split.

**EIP Provider Types**

Agency Providers are entities which employ qualified personnel and may contract with individual providers or other agencies approved by the Department of Health for the provision of EIP evaluations, service coordination, and/or early intervention services.

Individual Providers are persons who hold a state-approved or recognized certificate, license, or registration in a discipline qualified to deliver EIP services.

All providers must be approved by and under agreement with the Department to deliver EIP Services.

### **EIP Billing Providers**

To be authorized to deliver and bill for EIP services, these EIP provider types must have an agreement with the Department of Health, which includes an Appendix 1 for billing purposes.

Insurers will only receive claims for EIP billing providers. EIP billing providers must submit claims to insurers through the State Fiscal Agent. Any EIP claim submitted directly by the EIP provider should be rejected by the insurer. [See, PHL §§ 2557(5)(a) & 2559(3)(a)(iii)]

Electronic claims submitted by the State Fiscal Agent will identify the claim's submitter as the State Fiscal Agent. Paper claims, if required by the insurer, however do not have a place to identify the State Fiscal Agent and some insurers have incorrectly believed that they were submitted directly from EI providers.

### **Subrogation Notices**

Under both PHL § 2559(3)(d) and Insurance Law (Ins. Law) § 3235-a(c), EIP providers are subrogated to the rights the insured has under an insurance policy or plan to the extent the insurer has received notice of the EIP providers' intent to exercise such subrogation rights. EIP providers are required to submit subrogation notices to insurers that provide coverage to children for whom the provider is authorized to deliver EIP services.

The subrogation notice includes the EIP provider Tax ID for tracking and payment purposes. Insurers must accept subrogation notices from providers and record their assignment as an EIP provider for the insured child.

Insurers should not require subrogation notices to be submitted with every EIP claim but may on a reasonable basis request confirmation that the provider continues to be an assigned provider for the child receiving EIP services.

### **Response to Notices Requesting Insurance Information**

Service coordinators and municipalities are required to obtain the parent's authorization to request information from their child's insurer with respect to coverage information.

The insurer is required to return information on the extent of benefits available to the child within fifteen days of the insurer's receipt of the written request for coverage information and the notice authorizing the release of this information to the service coordinator and the municipality. [See, Ins. Law § 3235-a(c)]

### **Identifying EIP Claims Submitted by McGuinness and Associates (through 9/30/13)**

- For identifying Early Intervention claims for paper claims submitted by McGuinness, a "TL" modifier is included in box 24D on the CMS-1500.
- For identifying Early Intervention claims submitted electronically:
  - McGuinness' information is included in Loop 1000A (Submitter Name)
  - The "TL" modifier is being sent in the SV1 (SV101-3) segment of Loop 2400
- Billing Provider information for paper claims (who to send the payment to):
  - In Box 25, McGuinness is providing the Billing Provider's TAX ID

- In Box 33, McGuinness is providing the Billing Provider's Name, Address, phone number and NPI (Box 33A)
- Billing Provider information for electronic claims (who to send the payment to): McGuinness is submitting the following information in the 2010AA segment (Billing Provider Name)
  - NM1 – contains Billing Provider Name and NPI
  - N3 & N4 – Billing Provider address
  - REF – Provider Tax ID

## **Payment of EIP Claims**

### **Billing Providers**

Payment of EIP must be made to the authorized billing provider identified on the claim. The rendering provider will only be identified on the claim if the rendering provider is different from the billing provider. Under these circumstances, the rendering provider will be an employee or a subcontractor to the agency, who is NOT the authorized payee. The authorized payee is always the billing provider for EIP purposes.

### **Parents**

All services provided to children and families in the EIP are at no cost to the family.

As stated under the section on Subrogation above, insurers must not direct payment to parents regardless of whether the EIP provider is a participating provider of the insurer or an out of network provider. [See, PHL§ 2559(3)(d); Ins. Law § 3235-a(c)]

There are substantial protections in public health and insurance law with respect to the use of insurance for early intervention services for insurance policies subject to State law. These are:

- Parents do not pay any out-of-pocket costs, such as deductibles or co-payments for early intervention services.
- Insurers are prohibited from charging any benefits paid for early intervention services against any maximum annual or lifetime policy limits ("caps"). [See Ins. Law § 3235-a(b)]
- Early Intervention visits reimbursed by the insurer cannot reduce the number of visits otherwise available to the child and family for health care.
- Insurers cannot discontinue or fail to renew a family's insurance coverage solely because a child is receiving EIP services.
- Insurers cannot increase health insurance premiums solely because a child is receiving EIP services.
- If a family's insurance plan is not regulated by New York State, the plan will not be billed unless the parent gives informed written consent.

### **Additional Guidance**

Attached is guidance issued to insurers from the Department of Financial Services (DFS) outlining insurers' requirements as it pertains to processing of EIP claims. The link to the document on DFS's website is- [http://www.dfs.ny.gov/insurance/health/EIP\\_reimburse.pdf](http://www.dfs.ny.gov/insurance/health/EIP_reimburse.pdf)