

Reminder To Insurers and HMOs:

Early Intervention Program Changes Related to Reimbursement of Claims

The New York State Department of Health (DOH) has received numerous provider complaints alleging that insurers and HMOs are not complying with the recent changes to the Early Intervention Program (EIP) that are reflected in Insurance Law Section 3235-a and Public Health Law Section 2559.

The amendments to Insurance Law Section 3235-a and Public Health Law (PHL) Section 2559, effective January 1, 2013 :

1. Require that insurers and HMOs inform the municipality and service coordinator about the extent of benefits available to the covered person within fifteen days of receipt of the municipality's or service coordinator's written request and notice authorizing such release. See Insurance Law Section 3235-a(c).
2. Provide that a municipality or its designee and a provider approved to conduct evaluations and provide EIP services shall be subrogated for EIP services provided to an eligible child and his or her family that are covered under an insurance policy, plan or benefit package. See PHL Section 2559(3)(d).
3. Require that providers use the Department of Health's fiscal agent and data system for claiming payment for evaluations and services rendered under the EIP. See PHL Section 2559(3)(a)(iii).
4. Require that, after being designated as an EIP service provider for a child, the provider must submit a subrogation notice to the eligible child's insurer, HMO or plan administrator. See PHL Section 2559(3)(d).
5. Provide that any right of subrogation to benefits to which a municipality or provider is entitled under §2559(3)(d) shall be valid and enforceable to the extent benefits are available under any accident and health insurance policy. The right of subrogation does not attach to benefits paid or provided under any accident and health insurance policy prior to receipt by the insurer or HMO of written notice from the municipality or provider as applicable. See Insurance Law Section 3235-a(c).

Required Steps to Implement the New EIP Reimbursement Method

In order to comply with the new requirements, insurers and HMOs must:

1. Provide information regarding extent of benefits for the child receiving EIP services to the municipality and/or service coordinator within fifteen days from receipt of the request.

2. Accept subrogation notices from providers and record their assignment as an EIP provider for the insured child. Insurers and HMOs 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.
3. For claims submitted on or after April 1, 2013, upon receipt of claims submitted by the DOH's State Fiscal Agent (SFA):
 - a. Send payment directly to the assigned provider, not the municipality
 - b. Send a remittance advice with claims adjudication information to the DOH's SFA. Remittance advices must be returned to the SFA by insurers and HMOs to ensure:
 - i. Provider claims are properly adjudicated, and
 - ii. Amounts paid to providers by localities through the SFA reflect the accurate payment amount owed to the provider after reimbursement by the insurer, HMO or third party administrator.

This information clarifies your responsibilities regarding proper reimbursement of EIP claims. Should you have questions regarding these issues, please contact the DOH Bureau of Early Intervention at bei@health.state.ny.us or Abby Nash of the Department of Financial Services at Abby.Nash@dfs.ny.gov.