



## Department of Health

**ANDREW M. CUOMO**  
Governor

**HOWARD A. ZUCKER, M.D., J.D.**  
Commissioner

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Executive Deputy Commissioner

June 17, 2016

Mr. Brian Mason  
Assistant Comptroller  
Division of State Government Accountability  
NYS Office of the State Comptroller  
110 State Street, 10th Floor  
Albany, New York 12236

Dear Mr. Mason:

Pursuant to the provisions of Section 170 of New York State Executive Law, I hereby transmit to you a copy of the New York State Department of Health's comments related to the Office of the State Comptroller's final audit report 2015-S-22 entitled, "Oversight of the Early Intervention Program's State Fiscal Agent."

Please feel free to contact me at (518) 474-2011 with any questions.

Sincerely,

Howard A. Zucker, M.D., J.D.  
Commissioner of Health

Enclosure

**Department of Health  
Comments on the  
Office of the State Comptroller's  
Final Audit Report 2015-S-22 entitled,  
Oversight of the Early Intervention  
Program's State Fiscal Agent**

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The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Final Audit Report 2015-S-22 entitled, "Oversight of the Early Intervention Program's State Fiscal Agent."

**Recommendation #1**

Take prompt action to resolve the 169,615 unpaid claims by working with PCG, providers, and third-party payers. Continue to address any remaining barriers to timely payment of EI claims.

**Response #1**

The 2016-17 Executive Budget included a comprehensive proposal to improve insurance reimbursement and claiming procedures for early intervention services. This proposal would have added new requirements for both Early Intervention Program (EIP) providers and insurers to achieve timely adjudication of EIP claims and administrative efficiencies in the claiming process.

Specifically, the Executive Budget proposed amendments to Public Health Law and Insurance Law would have required the following:

1. Timely filing of claims by EIP providers to ensure claims are received within payer requirements.
2. Enrollment of providers in healthcare clearinghouses for processing of claims to third party payers and receipt of remittance advices from insurers in industry-standard, HIPAA compliant formats.
3. Notification by insurers to providers as to whether the policy is subject to State Insurance Law within 15 days of receipt of a claim and issuance of requests for any additional information necessary to adjudicate the claim within that same timeframe.

All of these proposals, which would have significantly improved timely adjudication and third party payment of EIP claims, were rejected by the legislature.

The Department is reviewing whether there are administrative actions that can be taken to ensure timely filing of claims by EIP providers and enrollment of EI providers in healthcare clearinghouses for processing of claims to third party payers.

The Department and State Fiscal Agent (SFA) also continue to work with providers and payers to resolve unpaid claims. As of May 5, 2016, 66% of unpaid claims reviewed by the OSC, totaling \$10.9 million for the period July 1, 2013 through June 30, 2015, have now been paid.

Of the remaining \$4.3 million in unpaid claims:

- \$3.2 million are in unpaid insurance claims. Twenty-seven percent, or \$858,453 in claims, are pending a response from insurers. An additional 67% require further action by providers, such as correction of an invalid subscriber ID, provider NPI

not on file with the payer, or claim/services lacks information which is needed for adjudication.

- \$1.1 million are in unpaid Medicaid claims. Seventy-percent, or \$883,936, are outstanding due to further action required by the provider, primarily for correction of information related to the child or coordination of benefits (e.g. another insurer is on file with the Medicaid program). Another \$110,588 in claims are pending a response from the Medicaid Program.

The Department notes that for the period 7/1/13 through 6/30/15, a total of \$1.157 billion in claims have been submitted to the State Fiscal Agent for processing. As of 5/2/16, a total of \$1.153 billion or 99.67% have been paid. The \$4 million in outstanding claims represents only 0.33% of this total.

### **Recommendation #2**

Work with PCG to gather input on potential enhancements to online training and customer service to better meet stakeholder needs.

### **Response #2**

Currently the SFA offers training for providers and municipalities in the following areas:

#### Webinars

- Introduction to ICD-10 Diagnostic Codes
- Claim Rejections and Denial Training Presentation
- Accessing and Viewing Voided Claims in EI Billing
- Training 103, Part 1: Accurate Insurance Information Collection
- Training 103, Part 2: Insurance Data Entry for Claiming
- EI Billing Report Improvements and Tutorials
- Training for Providers Entering Insurance Information into NYEIS
- New York Early Intervention Provider Training 101 and 102
- Fiscal Agent Process For EI Providers
- DOH Webinar NYEIS Third Party Insurers
- DOH Webinar Early Intervention Billing and Claiming Part 1
- DOH Webinar Early Intervention Billing and Claiming Part 2

#### Tutorial Videos

- How to Sign Up for Electronic Funds Transfer (EFT)
- Calling Aetna's Dedicated Provider Service Center, for Service Coordinators
- EI Billing Reporting Enhancements & Functionality
- EI Billing Reports Tutorials:
  - Introduction, Logging In, and Exporting Data
  - Adjudicated Claims Turnaround by Municipality
  - Adjudicated Claims Turnaround by Payer
  - Adjudicated Claims Turnaround by Provider
  - Adjudicated Claims Turnaround Detail

- Claims Aging Detail
- Claims Aging Summary by Municipality
- Claims Aging Summary by Payer
- Claims Aging Summary by Provider
- Detail Claims Report
- Detail Transaction Report
- Medicaid Code 35 Error
- Summary by Municipality
- Summary by Payer for Provider Payments
- Summary by Provider
- Summary Trend by Month
- Setting Up a Provider Profile - This video will walk you through setting up your provider profile on EIBilling.com.
- Entering Service Record into EIBilling - A brief video tutorial detailing how to enter service records directly into EIBilling.com.
- Editing or Deleting Service Records - A brief video tutorial showing how to edit or delete service records once they are uploaded to EIBilling.com.
- Submitting a Bill - This video will show providers how to submit a bill using EIBilling.com.
- Using "My Dashboard" - A step by step summary of using the "My Dashboard" page once logged in to EIBilling.com.
- Downloading and Filling Out Excel Template - This video will walk you through the process of downloading, filling out, and saving the KIDS Service Records Excel Template.
- Uploading an Excel Spreadsheet - A video guide describing how to upload a saved Excel Spreadsheet to EIBilling.com.

All trainings are posted and available to EIP providers through the EI Billing website: <https://www.eibilling.com/Public/TrainingVideos/PCGTraining.aspx>. The EI Billing Website also has a Knowledge Base with over 280 informational articles for EIP providers.

The Department and the SFA are currently finalizing a training program for providers on submission of prior authorization requests to insurers, which will be made available to providers in June, 2016. The Department and SFA staff are also developing a new training on the EI Billing reporting system for municipalities and providers. Finally, the Department and SFA will meet with the SFA Steering Committee, comprised of EIP providers, insurance industry representatives, and parents of children with disabilities in June, 2016. The Department will discuss potential enhancements to training and customer services at this meeting, including a review of a needs assessment which will be conducted to assess current training needs and customer satisfaction with the SFA's online training and customer service. Results of this needs assessment will be used to improve SFA services in this area.