

# Medicaid in Education Alert

New York State Office of Health Insurance Programs (OHIP)  
New York State Education Department  
Preschool/School Supportive Health Services Program (SSHSP)  
Medicaid in Education Units

Issue #12-06

**TO:** All SSHSP Medicaid Providers

**FROM:** NYS OHIP & NYSED  
Medicaid in Education Units

**DATE:** June 22, 2012

**SUBJECT:** New York State Medicaid to Require Electronic Funds Transfer (EFT) for  
Provider Payments and Electronic Remittance Advice (ERA) or PDF Version of  
Paper Remittances

New York State Medicaid (including the School Supportive Health Services Program) will soon require all billing providers to register for EFT and paperless remittances (ERA or PDF). This effort moves the New York State Medicaid Program in the direction of health care industry standards of practice, and will achieve cost savings by eliminating the production, processing and mailing of paper. The NYS Department of Health will begin phasing in this requirement beginning in September 2012. SSHSP providers not currently receiving EFT are encouraged to complete and submit applications by the end of August. Providers who have not already done so are encouraged to begin the application process prior to the mandated September date. Failure to complete the process prior to the deadline may result in payment being withheld.

## **EFT**

Since eMedNY began offering the benefit of EFT, thousands of providers have enrolled to have their Medicaid funds deposited directly to their checking or savings account, including some SSHSP providers.

The advantages of EFT over paper checks include:

- Eliminate the possibility of lost checks.
- Eliminate delays that would be caused by misdirected checks.

- Eliminate mail time.
- Enjoy knowing your funds are secure.
- Save trips to the bank to deposit your Medicaid checks.

### **ERA/PDF**

In addition to requiring EFT, all SSHSP providers will be required to enroll for paperless remittances. Many SSHSP providers already receive electronic remittances. If an SSHSP provider currently receives paper remittances, there are two options for electronic remittances:

- **Option 1:** ERAs in the form of HIPAA compliant 835/820 formats. These will require software to interpret but have advantages for systematic posting of payments.
- **Option 2:** PDF version of the paper remittance delivered electronically through eMedNY's secure web site. PDF remittances have many advantages over paper remittances such as:
  - The PDF remittance will be immediately available every week on the Monday on which your Medicaid check is dated, and will not be subject to the two-week hold of your check or EFT release.
  - You will know when the PDF is available in your eXchange account and not have to wait for the mail.
  - The remittance can be downloaded and stored electronically for easy retrieval.
  - The remittance can be word-searched to help locate specific claims.
  - The PDF will look exactly like the paper remittance.
  - Remittances can be printed with Adobe Reader® (6.0 release or higher required), available free of charge.

The remittance advice, in addition to showing a record of claim transactions and assisting providers in identifying and correcting billing errors, plays an important role in the communication between the provider and the eMedNY Contractor for resolving billing or processing issues.

Remittance advices contain the following information:

- A listing of all claims (identified by several pieces of information as submitted on the claim) that have entered the computerized processing system during the corresponding cycle
- The status of each claim (deny/paid/pend) after processing
- The eMedNY edits (errors) failed by pending or denied claims
- Subtotals and grand totals of claims and dollar amounts
- Other financial information such as recoupments, negative balances, etc.

Please refer to the [New York State Electronic Medicaid System Remittance Advice Guideline](#) manual for additional information on Medicaid remittance advices.

This information is also available in the **March 2012 New York State Medicaid Update** at: [http://www.health.ny.gov/health\\_care/medicaid/program/update/2012/march12mu.pdf](http://www.health.ny.gov/health_care/medicaid/program/update/2012/march12mu.pdf).

EFT, ERA, and PDF remittance applications and additional information are available online through the [eMedNY Go Green page](#). Questions about either application or process can be directed to the eMedNY Call Center at (800) 343-9000.