



Alaska Medical Assistance

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### Remittance Advice (RA) Message

Title: **Message from the Director: Budget-Delayed Medicaid Payments**

Issue Date: 05/15/2018

Provider Type(s): All

Message: The Department of Health and Social Services typically pays Medicaid provider claims within one week of receipt, in full compliance of the timeframe allowed by federal regulations (42 CFR 447.45): 90 percent of claims within 30 days of receipt and 99 percent of claims within 90 days of receipt.

In order to manage the projected shortfall between the authorized budget for the current fiscal year, which ends June 30, 2018, and actual claims received from enrolled providers, the department is modifying its payment schedule effective immediately. Over the six (6) remaining weeks in fiscal year 2018, the DHSS will delay issuance of payments for some claims to 30 days as allowed under federal regulations. This change will not affect all claims and will only affect larger providers to mitigate the adverse financial impact to smaller vulnerable providers.

Provider will see affected claims on the weekly remittance advice (RA) with the status of "O", and "Budget Funded". Since the billed charges and Medicaid reimbursement amounts often differ, the total of all "O" delayed claims may not equal the cumulative total shown on the summary page.

Providers are asked to continue to submit claims to expedite payment once payments resume in full. All claims will continue to be processed under standard adjudication rules. I will keep you informed of our progress through additional RA messages. In the interim, please forward any comments, suggestions, or questions you may have to Susan Dunkin at [susan.dunkin@alaska.gov](mailto:susan.dunkin@alaska.gov).

For more information, please see provider flyer "Budget-Delayed Medicaid Payments FAQs" available at <http://manuals.medicaidalaska.com/docs/updates.htm>.

I thank you for the services you continue to provide, and for your patience and cooperation as we work together to navigate Alaska's fiscal challenges.

Sincerely,

Margaret C. Brodie

Director, Division of Health Care Services