



Alaska Medical Assistance

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Remittance Advice (RA) Message

Title: **Message from the Director: Budget-Pended Claims**

Issue Date: 05/28/2019

Run Length: 5 weeks

Provider Type(s): All

Message: Dear Medicaid Provider,

As the Department of Health and Social Services approaches the end of the state fiscal year, again we are challenged by a budget shortfall. In order to manage this projected deficit between the authorized budget for the current fiscal year ending June 30, 2019 and claims received from enrolled providers, the department has modified the weekly provider payment schedule.

Over the final three weeks of the fiscal year, the department will delay issuance of payments for some claims to 30 days as allowed under federal regulations (42 C.F.R. 447.45) which require payment of 90 percent of claims within 30 days of receipt and 99 percent of claims within 90 days of receipt.

Providers whose claims are delayed will see affected claims on the weekly remittance advice (RA) with the status of "O", and "Budget Funded". Because 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.

Please continue to submit claims to expedite payment once payments resume in full. All claims will continue to be processed under standard adjudication rules. For more information, please see "Budget-Delayed Medicaid Payments FAQs" available at <http://manuals.medicaidalaska.com/docs/updates.htm>.

I will keep you informed of our progress through additional remittance advice messages. In the interim, please forward any comments, suggestions, or questions you may have to Susan Dunkin at susan.dunkin@alaska.gov. Thank you for the services you continue to provide to Alaska's most vulnerable residents, and for your patience and cooperation as we work together to navigate Alaska's fiscal challenges.

Sincerely,

Renee Gayhart
Director