

Medicaid Matters

Steckel: State must begin now to meet 2014 health reform deadline

While the start date is a few years away, state Medicaid programs must now begin the difficult work of implementing – and financing – newly passed federal health reform mandates that are expected to expand Alabama’s Medicaid program by about 50 percent, according to Medicaid Commissioner Carol Steckel.

Signed into law on March 23, 2010, the new legislation would enable a family of four with an income of up to \$29,327 – or up to 133 percent of the federal poverty limit – to qualify for Medicaid starting in 2014. State officials expect the majority of the new recipients to be non-disabled adults since Alabama’s program now primarily covers children, pregnant women, disabled adults and low-income individuals on Medicare. Non-disabled adults between 21 and 64 cannot get full Medicaid coverage in Alabama unless they live in a family with minor children and have a monthly household income of \$194 or less.



Some states, such as New York, Massachusetts and Wisconsin, have already expanded their Medicaid programs to include non-disabled adults, she said, while approximately 400,000 additional Alabamians are expected to qualify for full coverage under the expanded program.

The biggest concern for most states, Commissioner Steckel said, is how to pay for the changes that will be required to start the program in 2014. The federal government is to pay all of the additional costs through 2016. By 2020, the state would be responsible for 10 percent of the cost for the additional patients, estimated to be at least \$61 million. However, there is no federal funding allocated to help states pay for technology, eligibility workers, equipment, office space or other administrative resources needed to prepare for the expansion. [Read more >>](#)

CMS awards federal matching funds for EHR incentive planning

In another key step to further states’ role in developing a U.S. health information technology (HIT) infrastructure, the Centers for Medicare & Medicaid Services (CMS) announced Feb. 26 that Alabama’s Medicaid program will receive up to \$269,000 in federal matching funds for state planning activities to implement an electronic health record (EHR) incentive program for hospitals and physicians.

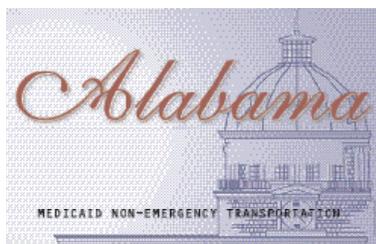
American Recovery and Reinvestment Act of 2009 funds will be used to provide a 90 percent federal match for Alabama’s planning activities to administer the incentive payments to Medicaid providers, to ensure their proper payments through audits and to participate in statewide efforts to promote use of EHR technology statewide and eventually, across the nation, according to Alabama Medicaid Commissioner Carol Steckel. The award is part of a rolling announcement CMS began in November 2009. To date, a total of \$43.56 million has been awarded to states to develop EHR incentive programs. [Read more >>](#)



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- **Alabama Medicaid Agency intensifies payment accuracy efforts**
- **Felton appointed chair of national technical assistance group**

NET program to switch to electronic benefit transfer cards in April

Beginning April 1, 2010, Alabama Medicaid recipients will trade paper vouchers for plastic cards as the Agency switches to new technology to provide recipients with a safe and convenient way to receive and use their non-emergency transportation benefits.



The electronic benefit transfer (EBT) cards, issued in March 2010 to recipients who requested a ride payment since September 2009, are similar to those used by the Department of Human Resources for recipients of state Family Assistance and to replace food stamps for federal Supplemental Nutrition Assistance Program (SNAP) recipients. New cards will be issued to Medicaid recipients requesting ride payments who do not yet have one.

When a ride payment is approved, Medicaid will electronically put the payment on the recipient's plastic EBT card instead of issuing a paper voucher. Once Medicaid has credited the recipient's account, the funds are available within a day and remain available for 90 days. [Read more >>](#)

Alabama Medicaid Agency intensifies payment accuracy efforts

Continuing its commitment to payment accuracy and taxpayer value, the Alabama Medicaid Agency has awarded a two-year, performance-based contract to Ingenix, Inc., to identify any funds owed to the state by conducting a focused post-payment claims review.

Alabama Medicaid, which has been recognized nationally for its payment and eligibility accuracy, will work with the company to review claims filed for the past two years by all provider groups in the state of Alabama, including hospitals, physicians, dentists, pharmacies, durable medical equipment companies and home health care providers. Under terms of the agreement, rather than receiving a flat contract fee, Ingenix will be paid a percentage of any incorrect payments actually identified and recovered.

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Felton appointed chair of national technical assistance group

An 18-year employee of the Alabama Medicaid Agency has been named to lead a national technical assistance group responsible for advising the Centers for Medicare & Medicaid Services (CMS) on key eligibility issues.



Gretel Felton, who serves as director of the Agency's Certification Support Division, was appointed March 18 to chair the Eligibility Technical Assistance Group (E-TAG) by Cindy Mann, director of the Center for Medicaid and State Operations (CMSO), part of CMS.

"In this role, Gretel will help CMS and state Medicaid agencies throughout the country with eligibility issues and policy," said Alabama Medicaid Agency Commissioner Carol Steckel. "This is a great honor for Alabama and for Gretel." [Read more >>](#)

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