

## IMPORTANT INFORMATION FOR NJAHP MEMBERS – April 2011

### MEDICAID AUDIT AND REIMBURSEMENT CHANGES

Some NJAHP members have been contacted from a representative from the state auditor's office requesting information about providers' Medicaid hearing aid fittings.

We have been in contact with the auditor regarding this matter, and need to share important information with NJAHP members:

Providers are not being audited for suspected improper billing. The audit is not to scrutinize providers. The goal of the audit is to ensure that the Medicaid Hearing Aid Program is adhering to the letter of the NJ Administrative Code. For many years, Medicaid has reimbursed providers the single unit cost of the hearing aid in addition to a modest dispensing fee. The auditor is particularly interested in the difference between the single unit cost and the discounted cost. This may ultimately lead to a restructuring of the reimbursement policies.

NJAHP members should be aware that they may be contacted by the auditor if they have been fitting hearing aids through Medicaid. In accordance with the Medicaid Provider Manual, you must cooperate with the audit.

We recommend that if you are approached by an auditor on the phone, that you ask him to confirm his identity in writing (e.g., a letter or email from a njleg.org address).

Keep in mind that you are not being accused of wrongdoing, but you would have to answer for any irregularities they discover in your billing. You have the right to have an attorney if you wish. The auditor will probably be asking about only 2-3 specific files, and you should limit your cooperation to only what is asked of you.

The most important thing to remember if contacted, is "don't panic." You are required to cooperate, but remember that you are not the target of the audit. IF YOU ARE CONTACTED BY AN AUDITOR, PLEASE CONTACT ME IMMEDIATELY. WE HAVE A COMMITTEE GATHERING INFORMATION ON THE AUDIT AND THEIR CONCLUSIONS.

You can download a copy of the NJ Medicaid Hearing Aid Provider Manual at:

[http://www.state.nj.us/humanservices/dmahs/info/resources/manuals/10-64\\_Manual.pdf](http://www.state.nj.us/humanservices/dmahs/info/resources/manuals/10-64_Manual.pdf)

### MEDICAID BATTERY REIMBURSEMENT REDUCED

A separate issue: Without discussion or input from providers or the Association, Medicaid reduced the reimbursement for batteries. The change was enacted March 15 and is retroactive to February 1. Reimbursement was reduced from \$2.00 per cell to \$0.80 per cell.

The Association is concerned that larger changes to the program could be made arbitrarily, prompting many providers to discontinue their participation. Thousands of New Jersey's most needy and vulnerable citizens could be impacted. Your Association and our lobbyists are working to make sure we have input in the process.

THIS IS YOUR ASSOCIATION AT WORK FOR YOU. We are working hard to protect you and the people you serve.