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**New York State Department of Health
Bureau of Early Intervention Electronic Mailing List**

Automation of Code 35 Assignments and Rebilling to Medicaid

Dear Colleague:

As you know, under federal and State requirements for Part C of the Individuals with Disabilities Education Act (IDEA), all children and families in the Early Intervention Program (EIP) must have a single service coordinator to enable an eligible child and the child's family to receive the rights, procedural safeguards and services that are authorized under the Early Intervention Program. Since infants and toddlers with disabilities require a comprehensive array of services that may be provided by multiple agencies or individuals, federal and state laws require a service coordinator who is responsible for ensuring communication, collaboration, and coordination among providers of service to eligible children and their families.

For children enrolled in the Medicaid Program, early intervention service coordination services are considered targeted case management and paid for by Medicaid. To ensure proper payment of service coordination services to the child's single service coordinator, the child's Medicaid record in the EMedNY billing system must have a code assigned to the child's and family's service coordination provider. For the EIP, this code designation is known as "Code 35". The assignment of the Code 35 in eMedNY must be consistent with the dates of the individualized family service plan (IFSP) and service authorizations for the specific period, as defined by start and end dates on service authorizations recorded in the New York Early Intervention System (NYEIS). Without this Code 35 designation, Medicaid pends the claim for 90 days and then denies the service coordination claim if the Code 35 is not designated. This reason is one of the most common denial reasons for Medicaid claims, resulting in delays in payments to service coordination providers, and has been an administrative burden for service coordination providers and local early intervention staff and department of social services staff to reconcile claims affected by Code 35 issues.

In 2016, the New York State Department of Health (NYSDOH)'s Bureau of Early Intervention (BEI) worked with the NYSDOH Office of Health Insurance Programs to establish an automated process to assign and as appropriate,

reassign Code 35 designations to providers authorized to deliver service coordination services to children enrolled in the Medicaid Program and their families. BEI partnered with their State Fiscal Agent (SFA), Public Consulting Group (PCG), to implement the automated process to assign Code 35 designations to providers in children's eMedNY Medicaid record. Automation of Code 35 assignments was phased in during August, 2016, with full statewide implementation beginning August 23, 2016, for providers with NYEIS service authorizations start dates on or after May 1, 2016.

In December 2016, BEI and PCG implemented the automated Code 35 assignment for an additional 17,400 providers with service coordination authorizations prior to May 1, 2016. These assignments were made possible through a collaborative effort of Department staff in BEI and the Office of Health Insurance Programs to examine children's NYEIS and eMedNY data on service coordination providers.

As of May 9, 2017, 63,868 Code 35 assignments to authorized providers have been made in eMedNY. The new process has improved timeliness of service coordination payments, and reduced the administrative burden on providers and municipalities related to assignment and maintenance of Code 35 designations.

The Department has directed the SFA to automate the resubmission of service coordination claims denied by Medicaid due to Code 35 errors for providers. Automatic resubmission of service coordination claims will begin in May, 2017. Please note that providers will see adjustments to their subsequent escrow payments for any claims that Medicaid reimburses as a result of the Code 35 corrections that have been made. The automatic resubmission of claims will be phased in over the next few months to spread out the impact of any recoupment of funds from Medicaid that were originally paid out of escrow.

As a reminder, providers and municipalities should carefully review authorizations for service coordination in NYEIS to ensure that the end dates of these authorizations do not overlap with the start date for the next authorization for service coordination. This will help to ensure proper assignment of Code 35s to providers as part of the automation process, and will reduce Medicaid payment denials.

For further information and explanation of the Code 35 process, please contact the PCG SFA Customer Service Call Center at (866) 315-3747.

Sincerely,

Brenda Knudson Chouffi
PhD
Co-Director
Bureau of Early Intervention
Intervention

Donna M. Noyes,
Co-Director
Bureau of Early

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