



STATE OF NEW YORK DEPARTMENT OF HEALTH

Corning Tower The Governor Nelson A. Rockefeller Empire State Plaza Albany, New York 12237

Dennis P. Whalen
Executive Deputy Commissioner

ADMINISTRATIVE DIRECTIVE

TRANSMITTAL: 98 OMM/ADM-7

TO: Commissioners of
Social Services

DIVISION: Office of
Medicaid
Management

DATE: December 7, 1998

SUBJECT: Certificates of Creditable Coverage (CCC)

**SUGGESTED
DISTRIBUTION:**

Medical Assistance Staff
Temporary Assistance Staff
Managed Care Staff

**CONTACT
PERSON:**

Fred Perkins, Office of Medicaid Management
Policy related questions: (518) 486-5870
Patti Buttino, Office of Medicaid Management
Systems related questions: (518) 474-4710
MA New York City Representative at (212) 613-4330

ATTACHMENTS:

Automated Notice
Certificate of Creditable Coverage

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
					Public Law 104-191

I. PURPOSE

This directive informs local departments of social services of the actions they are required to take as a result of the passage of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA). This Act requires certificates of creditable coverage (CCC) to be issued whenever a recipient loses Medicaid eligibility (individual status code 20 upstate and CL in New York City).

II. BACKGROUND

The Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, was enacted on August 21, 1996. HIPAA amended the Public Health Service Act (PHS Act), the Employee Retirement Income Security Act of 1974 (ERISA), and the Internal Revenue Code of 1986 (Code) to provide for, among other things, improved portability and continuity of health insurance coverage in the group and individual insurance markets, and group health plan coverage provided in connection with employment. The HIPAA provisions are designed to improve the availability and portability of health coverage by limiting exclusions for preexisting medical conditions, providing credit for prior health coverage and a process for transmitting certificates and other information concerning prior coverage to a new group health plan or issuer and additional benefits not directly related to the purpose of this directive.

An insurance plan or insurer such as an employer, that imposes a preexisting condition exclusion must reduce the length of the exclusion by an individual's creditable coverage, which is defined as health insurance coverage and other health coverage, such as coverage under group health plans (whether or not provided through an issuer), Medicaid, Medicare, and public health plans.

Medicaid is considered a health insurer for the purpose of HIPAA. Therefore, the Department is required to issue a CCC to each Medicaid recipient who loses Medicaid coverage. The provision of a certificate is intended to enable an individual to establish his or her prior creditable coverage for purposes of reducing any preexisting condition exclusion imposed on the individual by any subsequent group health plan coverage.

III. PROGRAM IMPLICATIONS

The issuance of a CCC will not significantly increase the workload of local departments of social services. The certificates will be mailed on a monthly basis by the Department of Health (Department). The only time that local departments of social services will need to become involved is when a Medicaid recipient requests a certificate.

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IV. REQUIRED ACTION

In December, 1997, the Department mailed a notice (Attachment A) to each Medicaid recipient who lost coverage during the period from July 1, 1996 to May 1, 1997. The notice advised these former recipients that they could request a CCC by completing the bottom portion of the form and returning it to the social services office through which they received their Medicaid benefits. The notice states that they should make this request only if they are currently employed or are about to begin employment, and their employer's health coverage has a waiting period for a preexisting condition. Social services districts are responsible for issuing a CCC to a former recipient who requests one.

In addition, in December, 1997, the Department mailed CCCs (Attachment B) to Medicaid recipients who lost coverage during the period from June 1, 1997 through November, 1997. On an ongoing, monthly basis since January, 1998, the Department has issued CCCs to persons who lost Medicaid coverage in the preceding month.

V. SYSTEMS IMPLICATIONS

Upon request by a former Medicaid recipient for a CCC, a local department of social services worker will need to access WMS to determine the periods of Medicaid coverage for that recipient.

VI. NOTICE REQUIREMENTS

None

VII. EFFECTIVE DATE

The effective date of this administrative directive is retroactive to July 1, 1997.

Ann Clemency Kohler, Deputy Commissioner
Office of Medicaid Management

NEW YORK STATE DEPARTMENT OF HEALTH
IMPORTANT NOTICE
YOUR RIGHT TO DOCUMENTATION OF HEALTH COVERAGE

Recent changes in Federal law may affect your health coverage if you are enrolled or become eligible to enroll in health coverage that excludes coverage for preexisting medical conditions. **These changes do not affect your eligibility or coverage for Medicaid.**

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) limits the circumstances under which health insurance coverage may be excluded for medical conditions present before you enroll. Under the law, a preexisting health condition exclusion generally may not be imposed for more than 12 months (18 months for a late enrollee). The 12-month (or 18 month) exclusion period is reduced by your prior Medicaid coverage. You are entitled to a certificate that will show evidence of your prior Medicaid coverage. If you buy health insurance other than through an employer group health plan, a certificate of prior Medicaid coverage may help you obtain health insurance coverage without a preexisting condition exclusion.

For employer group health plans, these changes generally take effect at the beginning of the first plan year starting after June 30, 1997. For example, if your employer's plan year begins on January 1, 1998, the plan is not required to give you credit for your prior coverage until January 1, 1998.

You have the right to receive a certificate of prior Medicaid coverage since July 1, 1996. You may need to provide other documentation for earlier periods of health care coverage. Check with your new health insurance plan administrator to see if your new plan excludes coverage for preexisting conditions and if you need to provide a certificate or other documentation on your previous coverage.

Records in the New York State Department of Health indicate you or someone in the household were receiving Medicaid coverage at least for some period on or after July 1, 1996 and that the coverage ended.

Important

Only request a certificate of your Medicaid coverage if you are applying for or are already covered by private or employer sponsored health insurance that has a waiting period for a preexisting medical condition that affects you.

To request a certificate for yourself and any other individuals in your case, complete the tear-off request at the bottom of this page and send it to your county department of social services.

REQUEST FOR CERTIFICATE OF HEALTH COVERAGE

NAME _____ DATE _____

ADDRESS _____ TELEPHONE # (____)____-____

CASE NUMBER _____ CLIENT IDENTIFICATION NUMBER (CIN) _____

SIGNATURE _____

NEW YORK STATE DEPARTMENT OF HEALTH

CERTIFICATE OF GROUP HEALTH PLAN COVERAGE

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) limits the circumstances under which health insurance coverage may be excluded for medical conditions present before you enroll. Under the law, a pre-existing health condition exclusion generally may not be imposed for more than 12 months (18 months for a late enrollee). The 12 month (or 18 month) exclusion period is reduced by your prior health coverage which includes Medicaid.

This certificate provides evidence of your Medicaid coverage to date but there are circumstances where your Medicaid coverage may be extended beyond the date listed below (i.e.: aid continuing, etc.). When this occurs, and you are applying for or you are already covered by a health insurance policy that has a waiting period for a pre-existing condition, you may request an updated Medicaid Certificate of Creditable Coverage from your local department of social services.

IMPORTANT

You do not need this certificate unless you are applying for or are already covered by private or employer sponsored health insurance that has a waiting period for a pre-existing medical condition that affects you.

If you become covered under another group health plan, check with the plan administrator to see if you need to provide this certificate. You may also need this certificate to buy, for yourself or your family, an insurance policy that does not exclude coverage for medical conditions that are present before you enroll.

(County Name) DSS
Street
(City, NY, ZIP)

(Today's date)
Telephone No.
For Questions (General #1)

Medicaid Coverage:

Case Number:

(Name) (CIN)

Coverage Dates _____ to _____

(Name) (CIN)

Coverage Dates _____ to _____

(Name) (CIN)

Coverage Dates _____ to _____