North Carolina Medicaid Special Bulletin

An Information Service of the Division of Medical Assistance

Published by EDS, fiscal agent for the North Carolina Medicaid Program

Number V

October 1999

Effective October 1999

Medicaid Program Implements Penalties and Interest Assessments

According to NC General Statute – 147-86.10

Table of Contents

Section I. General NC Statute Requirements

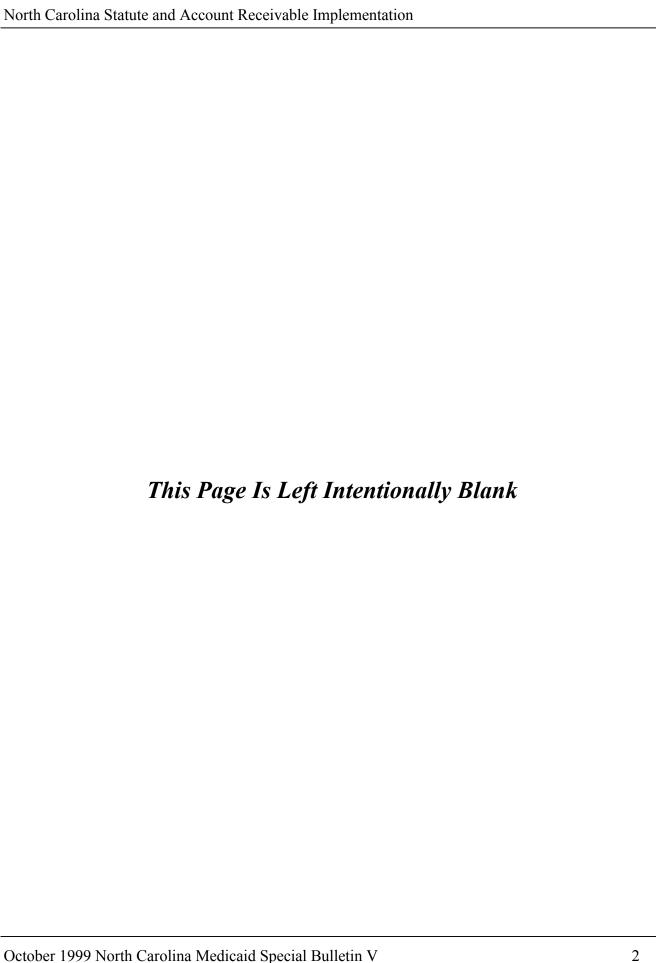
Section II. Penalty and Interest Assessments

Section III. Transfers of Adjustment Balances

Section IV. Tape RA – Data Accumulation Changes Only

Section V. Year 2000 - Medicaid Remittance and Status Report (RA) Changes

Section VI. New Explanation of Benefits (EOBs)



Section I. General NC Statute Requirements

What Does North Carolina (NC) General Statute Require?

- ➤ <u>Definition of the NC Statute (147-86.10)</u> This State statute requires effective cash management of all funds. As a result, <u>all balances due to the Medicaid program NOT returned or paid within 30 days will</u> automatically be assessed a one time 10% penalty and interest on an accumulative basis. The interest rate assessed is a variable one set forth by the North Carolina Department of Revenue (NC DOR). The current interest rate is 8%. The interest rate will be updated to ensure compliance with any changes made by the NC DOR
- ► Effective Date of this Statute within Medicaid Processing October 1, 1999
- ➤ Who It Will Affect All providers, excluding state agencies, who do NOT return monies due to the Medicaid Program within a 30 day period
- ➤ Highlights of Medicaid Processing Changes as a result of implementing NC General Statute 147-86.10:
 - 1. Penalty and Interest Assessment Medicaid adjustments or other types monies due to Medicaid, which are not paid in full via claim payment or refunds within 30 days of processing will be assessed a one-time 10% penalty and 8% interest on the outstanding balance. Interest will be assessed every subsequent 30-day period on the total outstanding balance until the total balance is paid in full.
 - 2. <u>Transfers of Adjustment Balances</u> Any adjustment balance will be transferred from an inactive provider (no claims payment) to an active provider (claims payment) when determined to be operating under the same tax entity. Refer to Section III for more details.

The above items are explained further in the following pages of this bulletin with examples, changes to the Medicaid Remittance and Status Advice (RA) and new Explanation of Benefit (EOB).

Section II. Penalty and Interest Assessments

Medicaid adjustments or any other monies due to Medicaid initiated by DMA, initiated by audits and edits of the Medicaid program, initiated at the request or known by the provider and are NOT paid in full via claim payment or refunds within 30 days of processing will be assessed a one-time 10% penalty and interest on the outstanding balance. In accordance with statutory requirements, the Medicaid program will use interest rates as established by the North Carolina Department of Revenue (NC DOR). The current interest rate is 8%. Interest will be changed to ensure compliance with any modifications made by the NC DOR. Interest will be assessed every subsequent 30 day period on the total outstanding balance until the total balance is paid in full. The following is an example of penalty and interest assessment on a Medicaid adjustment in the amount of \$200:

- ➤ Initial Medicaid Adjustment Amount = \$200
- > Payment received in the first 30 day period = \$0
- ➤ Balance Remaining (also referred to as Principal Amount) *after* 30 days = \$200-\$0=\$200
- \triangleright One time 10% Penalty Assessed for the initial period = \$200 X .10 = \$20
- > 8% Interest Assessed for the initial period =((\$200 balance X .08 interest rate)/365 # of days in year) x 31days aged = \$1.36 interest assessment

- ➤ If the balance continues to age to the next 30 day period, interest will be assessed on the total balance due amount of \$221.36 (\$200 principal +\$20 penalty+\$1.36 interest)
- \triangleright The additional interest amount is \$1.46 (((\$221.53 x .08)/365) x 30 additional days)
- \triangleright The total balance going forward is \$222.82 (\$221.36 + \$1.46)

A notice will be provided to each provider on the Medicaid RA when an adjustment or other Medicaid recovery is first initiated. This notice is required by the North Carolina General Statute and titled in the statute as a "dunning notification". The purpose of the dunning notice is to alert the provider of the potential penalty and interest assessment if balances due are not paid in full within 30 days. This dunning notice will be displayed on the first page of the Medicaid RA and will be displayed as noted on the next page.

DUNNING NOTIFICATION DISPLAYED ON MEDICAID RA:

"Alert! May be subjected to penalty and interest on adjustments processed. Monies are due back to Medicaid. Per the NC Statute 147, this RA serves as your required dunning notification. All outstanding adjustment balances must be paid within 30 days or a 10% one-time penalty will be assessed and interest will be charged at a 8% per annum rate. If you have already issued a refund related to your Medicaid adjustment balance due, please disregard this notice. If you cannot pay this balance within 30 days please contact DMA to discuss other payment arrangements. Disputes related to penalty and interest assessments must be provided through written notification to EDS."

Penalty and interest assessments will be calculated by the Medicaid program on a monthly basis and will be reflected on the next available Medicaid checkwrite cycle in the Financial Items Section of the Medicaid RA. These penalty and interest financial transactions will be reflected below the related balance due (principal amount) and EOB(s) 2254 &2255 and 2256 & 2257, respectively, will be used to communicate assessments. Refer to Section VI for definitions of each EOB.

Balances due will continue to be collected through current claims payments and applied against principal amounts first, then against penalty amounts, and interest amounts last. As payments are collected, the related application will be reflected in the Financial Items Section with EOB(s) 112, 2258-2261. However, if the provider is NOT aware of any impending claims payment, a refund can be sent to Medicaid to clear the balance due. Refunds will be processed and applied directly to the outstanding balance due using EOB 2242 and will be reflected in the Financial Items Section of the Medicaid RA. If the refunds are sent within the 30 day window but not entered and applied within the Medicaid system by month-end, penalty and interest will be assessed. However, once the refund is processed, all penalties and interest assessed will be automatically reversed. This reversal of penalty and interest assessments will be reflected in the Financial Items Section of the Medicaid RA with EOB(s) 2251 and 2252. Refer to Section VI for more details on the EOB(s) stated above.

In situations of extreme financial hardship ONLY, the provider can contact the Financial Branch of the Division of Medical Assistance (DMA – (919)-857-4014)) and make a request for a payment plan. DMA will consider the request and if approval is granted, then a payment plan will be established. DMA will establish the payment plan arrangements: payment amount and timeline for repayment. Penalty and interest assessments will be made on the amount due during the payment plan timeline.

A dispute for abatement of the penalty and interest can ONLY be initiated if the communication of interest and penalty assessment was not received. The dispute for abatement must be in writing and received within 30 days of the initial penalty and interest assessment; otherwise, the assessments will not be considered for abatement. The dispute will be required to include the following information:

- Provider Number
- Provider Name
- Provider Address

North Carolina Statute and Account Receivable Implementation

- Provider Phone Number
- > Copy of RA reflecting the principal, penalty, and interest assessment in question
- Request and reason for abatement
- Mail written notification to:

EDS Finance 4905 Waters Edge Drive Raleigh, NC 27606

Please allow 30-45 days for review and final determination as to whether any of the penalty and interest assessments will be abated. In the interim, interest assessments will continue to be assessed and accumulate. If claims payments are used to pay the principal, penalty and interest amounts due and abatement of the penalty and interest are deemed appropriate, Medicaid will reimburse the provider via payouts. These penalty and interest payouts will be reflected only in the Financial Items Section of the Medicaid RA and will display EOB 2262 and 2263, respectively. Refer to Section VI for EOB definitions.

Penalty and Interest Assessment Example #1

Example #1 The \$1,500 adjustment initiated on Donna Smith reflects an aged balance of more than 30 days. As a result, the month end 11/99 interest and penalty cycle assessed 10% penalty of \$150 (\$1,500 x.10) and \$12.87 interest based on a current rate of 8% per annum (((\$1500 x .08)/365) x 39 days aged)

Example #1 – Financial Items Section Example #1 – Claims Payment Summary

ABC CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 22222

	9	INTEREST		PENALTY SMITH 9008		SMITH 9008	PRINCIPAL JONES 9008	ADJUSTMENTS NEGATIVE	RECIPI		, D	
	9000901007	DONNA		ILTY DONNA 900850166K		11TH DONNA 900850166K	CIPAL NIES MIRA 900846721Q	ENTS	RECIPIENT NAME/ RECIPIENT ID		RECIPIENT	PROVIDER NUMBER
(TOTAL OF COLUMN C FOR PRINCIPAL, PENALTY, AND INTEREST = TO "WITHHELD AMOUNT" ON CLAIMS PAYMENT SUMMARY PAGE)	111/01/11	09/01/ <u>1999</u>		09/01/ <u>1999</u> 11/25/ <u>1999</u>		09/01/ <u>1999</u> 10/18/ <u>1999</u>	09/01/ <u>1999</u> 11/15/ <u>1999</u>		FROM DOS/ TXN DATES		FROM TO OR	NUMBER 34XXXXX
PRINCIPAL, PENALTY,	199325300000	1000320500050		<u>1999</u> 329400050		93 <u>1999270990010</u> 199 <u>9</u> 278750020	93 <u>1999</u> 307990020 <u>1999</u> 309750040		ADJUSTMENT ICN/ ORIGINAL CCN	FINANCIAL II		XS _
AND INTEREST = TO "W									PROVIE TRANSFER ADJUS: CCN LESS	FINANCIAL ITEMS: ADJUSTMENTS (PRINCIPAL, PENALTY, INTEREST), REFUND, PAYOUT ACTIVITY	PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION	REPORT S
VITHHELD AMOUN									PROVIDER % W/H / ADJUSTMENT % W/H LESS THAN 100%	(PRINCIPAL, PENA	BILLED	REPORT SEQ. NUMBER
T" ON CLAIMS F	SUB TOTAL: TOTAL PPI:	z	SUB TOTAL:	z	SUB TOTAL:	z	z		TRANSFER	LTY, INTEREST	ALLOWED	17
PAYMENT SUM	1287 216287	1287	15000	15000	200000	150000	50000		ORIGINAL/ TRANSFER FI AMOUNT (A)), REFUND, PA	TOTAL ALLOWED	
MARY PAGE)	1287 216287	1287	15000	15000	200000	150000	50000		FROM PRIOR AMOUNT CYCLE COLLECTES (B) (C)	ҮОИТ АСТІVІТ	PAYABLE F CUTBACK	⊣'''
	8 8	0	00	8	8	00	8		U	`	PAYABLE D CHARGE C	12/06/ <u>1999</u>
	0 00	00	00	00	00	00	00		WRITE-OFF I AMOUNT (D)		0 0	PAGE
	1287 216287	1287	15000	15000	200000	150000	50000		ENDING BALANCE (B-C-D=E)		PAID AMOUNT	2
		2256		2254		0112	0112		EOB		TION	EXPLANA-

ABC CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111

ANYWHERE

NC 22222

PLEASE VERIFY THE FOLLOWING IDENTIFICATION NUMBERS THAT HAVE BEEN ASSIGNED TO YOU. IF ANY OF THE NUMBERS ARE INCORRECT, PLEASE SEND CORRECTIONS TO: 1099 INFORMATION 1099 - THIS INFORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE
PROVIDER TAX ID: 62-1999999
PROVIDER TAX NAME: ABC CORPORATION
PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968 RALEIGH, NC 27622 #75-2548211 **CURRENT PROCESSED** CLAIMS PAYMENT SUMMARY YEAR-TO-DATE TOTAL SPECIAL NOTE: RECIPIENT NAME PROVIDER NUMBER 34XXXXX THE FOLLOWING IS A DESCRIPTION OF THE EXPLANATION CODES UTILIZED THROUGHOUT THE REPORT 112 CHECK AMOUNT REDUCED BY RECOUPMENT AMOUNT
2254 ONE-TIME PENALTY ADJUSTMENT ASSESSED SYSTEMATICALLY. ASSESSMENT OF 10% FOR AGED (>30 DAYS) BALANCE DUE (PRINCIPAL ONLY)
2256 INTEREST ASSESSMENT SYSTEMATICALLY ON ADJUSTMENT FOR AGED (>30 DAYS) BALANCE DUE (PRINCIPAL, PENALTY & INTEREST) CHECK WILL BE MAILED IN A SEPARATE ENVELOPE. IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR **UPIN - NONE ASSIGNED CLIA - NONE ASSIGNED** MM DD CCYY MM DD CCYY UNITS SERVICE DATES CLAIMS PAID PO BOX 300009 RALEIGH, NORTH CAROLINA 27622 1000 A PAID CLAIMS AMOUNT DAYS 유 150350.00 PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION 8 WITHHELD AMOUNT(*) 5000.00 . 8 REPORT SEQ. NUMBER NET PAY AMOUNT (A-B) 145350.00 8 TOTAL BILLED AMOUNT CREDIT 4300.00 o . 8 NON ALLOWED 1 E NET 1099 AMOUNT (C-D) ALLOWED TOTAL 141050.00 .8 **IRS WITHHELD** PAYABLE CUTBACK AMOUNT DATE . 00 8 PAYABLE CHARGE 12/06/1999 G POS & EDI 8 8 DEDUCTED CHARGES OTHER H OTHER W/H PAGE .8 8 AMOUNT PAID ADJUSTED (NET PAY (C-F-G-H) EXPLANA-145350.00 CODES TION 8

NOTE: <u>Underlined</u> items are fields that were expanded in order to become Y2K compliant

Penalty and Interest Assessment Example #2

Example #2 The 3 adjustments, totaling \$3,200 initiated on Joe Smith reflects an aged balance of more than 30 days. As a result, the month end 11/99 interest and penalty cycle assessed 10% penalty of \$3200 (\$3,200 x.10) and \$27.35 interest based on a current rate of 8% per annum (((\$3200 x .08)/365) x 39 days aged)

Example #2 – Financial Items Section Example #2 – Claims Payment Summary

XZW INCORPORATED
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111

ANYWHERE

NC 22222

PENALTY PRINCIPAL NEGATIVE ADJUSTMENTS SMITH JOE 900851555Z SMITH SMITH JOE 900851555Z SMITH SMITH RECIPIENT ID SMITH RECIPIENT NAME/ MITH JOE 900851555Z 900851555Z 900851555Z 900851555Z RECIPIENT NAME JOE JOE JOE ₽ PROVIDER NUMBER 78XXXXX SERVICE DATES MM DD CCYY 09/01/<u>1999</u> 11/25/<u>1999</u> 09/01/<u>1999</u> 11/25/<u>1999</u> 09/01/<u>1999</u> 11/25/<u>1999</u> 09/01/<u>1999</u> 10/18/<u>1999</u> 09/01/<u>1999</u> 10/18/<u>1999</u> FROM DOS/ TXN DATES 09/01/<u>1999</u> 10/18/<u>1999</u> DAYS OR STIND 93<u>1999</u>306990150 <u>1999</u>270750540 93<u>1999</u>308990110 <u>1999</u>270750340 ADJUSTMENT ICN/ ORIGINAL CCN 93<u>1999</u>308990120 <u>1999</u>270750240 1999329400350 1<u>999</u>329400250 1999329400150 PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION FINANCIAL ITEMS: ADJUSTMENTS (PRINCIPAL, PENALTY, INTEREST), REFUND, PAYOUT ACTIVITY TRANSFER CCN REPORT SEQ. NUMBER PROVIDER % W/H /
ADJUSTMENT % W/H
LESS THAN 100% TOTAL BILLED SUB-TOTAL: SUB TOTAL: NON ALLOWED TRANSFER INDICATOR 17 z z z z z z TOTAL ALLOWED TRANSFER FROM PRIOR AMOUNT
AMOUNT CYCLE COLLECTED
(A) (B) (C) ORIGINAL/ 100000 320000 200000 32000 20000 10000 20000 2000 PAYABLE CUTBACK 320000 200000 100000 32000 20000 10000 20000 DATE 2000 PAYABLE CHARGE 12/06/1999 8 8 8 8 8 8 8 8 DEDUCTED CHARGES WRITE-OFF AMOUNT (D) OTHER PAGE 8 8 8 8 8 8 8 8 ENDING BALANCE (B-C-D=E) AMOUNT PAID Ī 100000 320000 200000 32000 20000 10000 20000 2000 EXPLANA-CODES 0112 EOB NOIT 0112 0112 2254 2254 2254

XZW INCORPORATED
ACCOUNTS RECEIVABLE DEPT

P O BOX 1111
ANYWHERE NC 22222

ADJUSTMENTS NEGATIVE INTEREST SMITH JOE 900851555Z SMITH RECIPIENT NAME/ RECIPIENT ID SMITH MITH JOE 900851555Z 900851555Z RECIPIENT NAME JOE ₽ PROVIDER NUMBER 78XXXXX SERVICE DATES (TOTAL OF COLUMN C FOR PRINCIPAL, PENALTY, AND INTEREST = TO "WITHHELD AMOUNT" ON CLAIMS PAYMENT SUMMARY PAGE) 09/01/<u>1999</u> 11/25/<u>1999</u> 09/01/<u>1999</u> 11/25/<u>1999</u> FROM DOS/ TXN DATES 09/01/1999 11/25/<u>1999</u> DAYS STIND 유 ADJUSTMENT ICN/ TRANSFER ORIGINAL CCN CCN 1999329500350 <u>1999</u>329500260 <u>1999</u>329500250 PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION FINANCIAL ITEMS: ADJUSTMENTS (PRINCIPAL, PENALTY, INTEREST), REFUND, PAYOUT ACTIVITY REPORT SEQ. NUMBER PROVIDER % W/H /
ADJUSTMENT % W/H
LESS THAN 100% TOTAL BILLED SUB TOTAL: TOTAL PPI: NON ALLOWED TRANSFER INDICATOR 17 z z z TOTAL ALLOWED TRANSFER FROM PRIOR AMOUNT
AMOUNT CYCLE COLLECTED
(A) (B) (C) ORIGINAL/ 2736 354736 1710 855 171 PAYABLE CUTBACK 2736 354736 DATE 1710 171 855 PAYABLE CHARGE 12/06/1999 8 88 8 8 DEDUCTED CHARGES WRITE-OFF AMOUNT (D) OTHER 8 88 8 8 ENDING BALANCE (B-C-D=E) AMOUNT PAID Ī 354736 2736 1710 171 855 EXPLANA-CODES EOB NOIT 2256 2256 2256

XZW INCORPORATED
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111

ANYWHERE

NC 22222

PLEASE VERIFY THE FOLLOWING IDENTIFICATION NUMBERS THAT HAVE BEEN ASSIGNED TO YOU. IF ANY OF THE NUMBERS ARE INCORRECT, PLEASE SEND CORRECTIONS TO: 1099 INFORMATION 1099 - THIS INFORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE
PROVIDER TAX ID: 56-5555555
PROVIDER TAX NAME: XZW INCORPORATED
PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968 RALEIGH, NC 27622 #75-2548211 **CURRENT PROCESSED** CLAIMS PAYMENT SUMMARY YEAR-TO-DATE TOTAL SPECIAL NOTE: RECIPIENT NAME PROVIDER NUMBER 78XXXXX THE FOLLOWING IS A DESCRIPTION OF THE EXPLANATION CODES UTILIZED THROUGHOUT THE REPORT 112 CHECK AMOUNT REDUCED BY RECOUPMENT AMOUNT
2254 ONE-TIME PENALTY ADJUSTMENT ASSESSED SYSTEMATICALLY. ASSESSMENT OF 10% FOR AGED (>30 DAYS) BALANCE DUE (PRINCIPAL ONLY)
2256 INTEREST ASSESSMENT SYSTEMATICALLY ON ADJUSTMENT OF 9% ANNUALLY FOR AGED (>30 DAYS) BALANCE DUE (PRINCIPAL, PENALTY & INTEREST) CHECK WILL BE MAILED IN A SEPARATE ENVELOPE. IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR **CLIA - NONE ASSIGNED UPIN - NONE ASSIGNED** FROM TO OR

MM DD CCYY MM DD CCYY UNITS SERVICE DATES CLAIMS PAID PO BOX 300009 RALEIGH, NORTH CAROLINA 27622 2585 A PAID CLAIMS AMOUNT DAYS QR 357000.00 PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION 8 WITHHELD AMOUNT(*) 11850.00 . 8 REPORT SEQ. NUMBER NET PAY AMOUNT (A-B) 345150.00 8 TOTAL BILLED **AMOUNT** CREDIT 5285.00 o . 8 NON ALLOWED 7 E NET 1099 AMOUNT (C-D) ALLOWED TOTAL 339865.00 .8 **IRS WITHHELD** PAYABLE CUTBACK AMOUNT DATE . 00 8 PAYABLE CHARGE 12/06/1999 G POS & EDI 8 . DEDUCTED CHARGES OTHER H OTHER W/H PAGE .8 8 PAID AMOUNT ADJUSTED (NET PAY (C-F-G-H) EXPLANA-339865.00 CODES TION 8

NOTE: <u>Underlined</u> items are fields that were expanded in order to become Y2K compliant

Penalty and Interest Assessment Example #3

Example #3 One adjustment of \$11,250 initiated on Mary Brown reflects an aged balance of more than 30 days. Second adjustment on Gladys Youth has prior penalty and interest assessed and interest is assessed again due to continued aging. As a result, the month end 10/99 and 11/99 penalty and interest cycle assessed the transactions for Gladys Youth as follows: 10% penalty of \$225 (\$2,250 x .10) and \$16.27 interest based on a current rate of 8% per annum (((\$2250x .08)/365) x 33 days aged) for the 10/99 cycle. For the 11/99 cycle Gladys Youth's balance was \$2,250 principal plus \$225 penalty plus \$16.27 interest totaling to \$2,491.27 and \$20.75 interest was assessed based on (((\$2,491.27 x .08)/365) X 38 days additional aging). For the Mary Brown transaction of \$11,250 penalty and interest were assessed in the amount of \$1,125 and \$93.70, respectively. Calculations used were \$11,250 x .10 for penalty and \$11,250 x .08/365x 38 days

Example #3 – Financial Items Section
Example #3 – Claims Payment Summary

for interest.

XZW INCORPORATED
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111

ANYWHERE

NC 22222

PRINCIPAL YOUTH GLADYS 976542318P PENALTY
YOUTH GLADYS NEGATIVE ADJUSTMENTS BROWN MARY 988885556Q BROWN MARY 988885556Q RECIPIENT NAME/ RECIPIENT ID 976542318P RECIPIENT NAME ₽ PROVIDER NUMBER 89XXXXX SERVICE DATES MM DD CCY 09/02/<u>1999</u> 11/25/<u>1999</u> 08/01/<u>1999</u> 10/20/<u>1999</u> 09/02/<u>1999</u> 10/18/<u>1999</u> 08/01/<u>1999</u> 09/17/<u>1999</u> FROM DOS/ TXN DATES DAYS OR STIND 93<u>1999</u>308990110 <u>1999</u>260755440 93<u>1999</u>306990220 <u>1999</u>291751240 ADJUSTMENT ICN/ ORIGINAL CCN 1999329401250 <u>1999</u>293402350 PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION FINANCIAL ITEMS: ADJUSTMENTS (PRINCIPAL, PENALTY, INTEREST), REFUND, PAYOUT ACTIVITY TRANSFER CCN REPORT SEQ. NUMBER PROVIDER % W/H /
ADJUSTMENT % W/H
LESS THAN 100% TOTAL BILLED SUB-TOTAL: SUB TOTAL: TRANSFER INDICATOR NON ALLOWED z 17 z z z TRANSFER FROM PRIOR AMOUNT
AMOUNT CYCLE COLLECTED TOTAL ALLOWED ORIGINAL/ € 1125000 1350000 225000 135000 112500 22500 PAYABLE CUTBACK 1125000 **®** 135000 112500 1350000 225000 22500 DATE COLLECTED PAYABLE CHARGE 12/06/1999 <u>0</u> 8 8 8 8 8 8 DEDUCTED CHARGES WRITE-OFF AMOUNT (D) OTHER PAGE 8 8 8 8 8 8 ENDING BALANCE (B-C-D=E) AMOUNT PAID 1350000 1125000 Ī 135000 225000 112500 22500 EXPLANA-CODES 0112 0112 EOB NOIT 2254 2254

XZW INCORPORATED
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 22222

PROVIDER NUMBER	MBER 89XXXXX	REPORT SEQ. NUMBER	3ER 17		DATE 12	12/06/1999	PAGE	3
NAME	SERVICE DATES DAYS		NON NON	IATOT		YARI F	OTHER	
RECIPIENT	FROM TO OR	CODE AND DESCRIPTION BI	BILLED ALLOWED	ALLOWED	CUTBACK	CHARGE	DEDUCTED CHARGES	AMOUNT
		FINANCIAL ITEMS: ADJUSTMENTS (PRINCIPAL, PENALTY, INTEREST), REFUND, PAYOUT ACTIVITY	AL, PENALTY, INTERES	ST), REFUND, PA	УПИІТАСТІИІТУ			
				ORIGINAL				ENDING
RECIPIENT NAME/	FROM DOS/ TXN DATES	ADJUSTMENT ICN/ TRANSFER ADJUSTMENT % W/H ORIGINAL CCN CCN LESS THAN 100%	'H/ W/H TRANSFER NDICATOR	TRANSFER FROM PRIOR AMOUNT CYCLE (A) (B)	ROM PRIOR A CYCLE COI (B)	AMOUNT (COLLECTED (C)	WRITE-OFF AMOUNT (D)	BALANCE (B-C-D=E) (E)
ADJUSTMENTS NEGATIVE								
INTEREST YOUTH GLADYS 976542318P	08/01/ <u>1999</u> 10/20/ <u>1999</u>	<u>1999</u> 293502360	z	1627	1627	8	00	
YOUTH GLADYS 976542318P	08/01/ <u>1999</u> 11/25/ <u>1999</u>	1999329502360	z	2075	2075	00	00	
BROWN MARY 988885556Q	09/02/ <u>1999</u> 11/25 <u>/1999</u>	1999329501610	z	9370	9370	00	00	9370
			SUB TOTAL: TOTAL PPI:	13072 1498072	13072 1498072	8 8	0 0	13072 1498072
	(TOTAL OF COLUMN C FOR	(TOTAL OF COLUMN C FOR PRINCIPAL, PENALTY, AND INTEREST = TO "WITHHELD AMOUNT" ON CLAIMS PAYMENT SUMMARY PAGE)	ELD AMOUNT" ON CLA	IMS PAYMENT S	SUMMARY PAGE)			

XZW INCORPORATED
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 22222

	* * * *					Z P	10	¥	2		ဥ		1
	* SPECIAL NOTE: IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR * CHECK WILL BE MAILED IN A SEPARATE ENVELOPE.	112 CHECK 2254 ONE-TIN 2256 INTERES	THE FOLLOW			PLEASE VERIFY THE FOLLOWING IDENTIFICATION NUMBERS THAT HAVE BEEN ASSIGNED TO YOU. IF ANY OF THE NUMBERS ARE INCORRECT, PLEASE SEND CORRECTIONS TO:	1099 INFORMATION 1099 - THIS INFORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE PROVIDER TAX ID: 56-5555555 PROVIDER TAX NAME: X: PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968 I	YEAR-TO-DATE TOTAL	CURRENT PROCESSED		CLAIMS PAYMENT SUMMARY	NAME RECIPIENT ID	PROVIDER NUMBER
*****	;IAL NOTE: IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR CHECK WILL BE MAILED IN A SEPARATE ENVELOPE.	112 CHECK AMOUNT REDUCED BY RECOUPMENT AMOUNT 2254 ONE-TIME PENALTY ADJUSTMENT ASSESSED SYSTEMATICALLY. ASSESSMENT OF 10% FOR AGED (>30 DAYS) BALANCE DUE (PRINCIPAL ONLY) 2256 INTEREST ASSESSMENT SYSTEMATICALLY ON ADJUSTMENT OF 9% ANNUALLY FOR AGED (>30 DAYS) BALANCE DUE (PRINCIPAL, PENALTY & INT	THE FOLLOWING IS A DESCRIPTION OF THE EXPLANATION CODES UTILIZED THROUGHOUT THE REPORT	CLIA - NONE ASSIGNED UPIN - NONE ASSIGNED	EDS PO BOX 300009 RALEIGH, NOR	OWING IDENTIFICATION, PLEASE SEND COR	THIS INFORMATION IF PROVIDER TAX PAYER ID: ELE	2585	0	CLAIMS PAID	RY	SERVICE DATES DAYS FROM TO OR MM DD CGYY MM DD CGYY UNITS	JMBER 89XXXX
**************************************	**************************************	3Y RECOUPMENT AN MENT ASSESSED SY STEMATICALLY ON A	N OF THE EXPLANAT	ED .	EDS PO BOX 300009 RALEIGH, NORTH CAROLINA 27622	ON NUMBERS THAT I	FORMATION IF BEING FURNISHED PROVIDER TAX ID: 56-555555 PAYER ID: ELECTRONIC DATA SYS	357000.00	.00	A PAID CLAIMS AMOUNT			
*********	COPE.	MOUNT /STEMATICALLY. AS IDJUSTMENT OF 9%	TION CODES UTILIZE			HAVE BEEN ASSIGN	FORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE PROVIDER TAX ID: 56-5555555 PROVIDER TAX NAME: XZW INCORPORATED PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968 RALEIGH, NC 27622 #75-2548211	11850.00	.00	B WITHHELD AMOUNT(*)		PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION	, r
	**************************************	SSESSMENT OF 10	ED THROUGHOUT			ED TO YOU. IF AN	RNAL REVENUE SERVICE PROVIDER TAX NAME: XZW INCORPORATED ORATION, PO BOX 30968 RALEIGH, NC 27622	345150.00	.00	C NET PAY AMOUNT (A-B)			REPORT SEQ. NUMBER
	**************************************	% FOR AGED (> .GED (>30 DAYS	THE REPORT			Y OF THE	: ZW INCORPOR. RALEIGH, NC 2	5285.00	.00	D CREDIT AMOUNT		TOTAL ALI	1BER
	**************************************	·30 DAYS) BALAN) BALANCE DUE					ATED 7622 #75-25482	339865.00		E NET 1099 AMOUNT (C-D)		NON TOTAL ALLOWED	17
***********	SEMENT, YOUR						<u> </u>		.00	F IRS WITHHELD AMOUNT		AL PAYABLE CUTBACK	DATE
*******	******	≗L ONLY) LTY & INTEREST)						.00 .00	.00 .00	G POS & EDI		PAYABLE CHARGE	TE 12/06/ <u>1999</u>
	***************************************							.00	.00	H OTHER W/H		OTHER DEDUCTED _f CHARGES	PAGE
	**************************************							339865.00	.00	ADJUSTED (NET PAY (C-F-G-H)		PAID EXPLANA- AMOUNT TION CODES	4

Section III. Transfers of Adjustment Balances

Transfers of adjustments or other Medicaid recovery balances will be initiated from an inactive provider (no claims payment) to an active provider (claims payment) when it has been determined that both providers are operating under the same tax entity; thus, the same tax entity. This will ensure Medicaid's timely recovery of monies due to the program. This transfer action will be taken based on the following criteria:

- ➤ If the adjustment or other Medicaid recovery balance has reached either of the following milestones:
 - No payment has been received and the balance is more than 30 days old
 - > Only partial payment has been received and the adjustment balance is more than 60 days old
- If another provider is identified with the same tax identification number on the Medicaid file at either the 31 or 61 day point and this provider is actively submitting claims and receiving payments from Medicaid, then the following transactions will be processed:
 - > The current inactive provider outstanding balance (principal, penalty and interest assessed at the 31 or 61 day point) will be transferred to the active provider for immediate collection using a financial adjustment to remove the total balance due. This transaction will result in the removal of the balance due and will be reflected in the Financial Items Section only of the Medicaid RA with EOB 2249. (Refer to section VI)
 - ➤ The identified active provider will receive the transferred balances via financial transactions reflecting in the Financial Items Section only of the Medicaid RA with EOB(s) 2243/2244 for principal; 2245-2246 for penalty, and 2247-2248 for interest. (Refer to section VI).

Transferring will occur when the criteria above is met in each Medicaid checkwrite cycle. Again, if deemed an inactive provider and he/she is aware of other active providers operating in the same tax entity, i.e., they have the same tax identification number, action should be taken to pay off all balances due within 30 days. Providers can refund the monies due or request a payment plan to reduce the risk of having balances transferred. Once transferred balances are initiated, they cannot be reversed and the related provider parties must settle with each other.

Transfer of Receivable Example #4

Example #4

The \$500 adjustment initiated on Wendy Jones reflects an aged balance of more than 30 days and no claims payment activity in the last 30 days. As a result, prior to month end 11/99 interest and penalty cycle assessments, the balance due is transferred to provider number 342XXXX with the same tax identification data - 62-1111111 - MEL Corporation.

Example #4 – Financial Items Section Example #4 – Claims Payment Summary

MEL CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 22222

		PRINCIPAL JONES WENDY 988844444Q	ADJUSTMENTS NEGATIVE	RECIPIENT NAME/		PROVIDER NUMBER NAME SEE RECIPIENT FRO ID MM DD	
(TOTAL OF COLUMN C FOR PRINCIPAL, PENALTY, AND INTEREST = TO "WITHHELD AMOUNT" ON CLAIMS PAYMENT SUMMARY PAGE)		07/10/ <u>1999</u> 10/08/ <u>1999</u>		FROM DOS/		SERVICE DATES DAYS FROM TO OR FROM TO OR UNITS	
PRINCIPAL, PENALTY, A		93 <u>1999</u> 221990120 <u>1999</u> 281750040		ADJUSTMENT ICN/ ORIGINAL CCN	FINANCIAL ITE		
ND INTEREST = TO "WIT				PROVIDEI TRANSFER ADJUSTM CCN LESS TH	FINANCIAL ITEMS: ADJUSTMENTS (PRINCIPAL, PENALTY, INTEREST), REFUND, PAYOUT ACTIVITY	PROCEDURE/ACCOMMODATION/DRUG TOTA CODE AND DESCRIPTION BILLE	
HHELD AMOUNT" ON	SUB-TOTAL TOTAL PPI:			PROVIDER % W/H / ADJUSTMENT % W/H TRA LESS THAN 100% INDI	RINCIPAL, PENALTY, IN		
CLAIMS PAYMENT SUN	TOTAL 50000 PPI: 50000	Y 50000		ORIGINAL/ TRANSFER F TRANSFER AMOUNT INDICATOR (A)	ITEREST), REFUND, PA	NON TOTAL ALLOWED ALLOWED	
MARY PAGE)	50000	50000		FROM PRIOR AMOUNT CYCLE COLLECTED (B) (C)	YOUT ACTIVITY	DATE 11/15/1999 PAYABLE PAYABLE CUTBACK CHARGE	
	00 50000 00 50000	00 50000		WRITE-OFF D AMOUNT (D)		OTHER DEDUCTED CHARGES	
	0 0	00 2249		ENDING BALANCE (B-C-D=E) (E) EOB		PAID EXPLANA- TION CODES	

MEL CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111

ANYWHERE

NC 22222

PLEASE VERIFY THE FOLLOWING IDENTIFICATION NUMBERS THAT HAVE BEEN ASSIGNED TO YOU. IF ANY OF THE NUMBERS ARE INCORRECT, PLEASE SEND CORRECTIONS TO: 1099 INFORMATION 1099 - THIS INFORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE
PROVIDER TAX ID: 62-1111111
PROVIDER TAX NAME: MEL CORPORATION
PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968 RALEIGH, NC 27622 #75-2548211 **CURRENT PROCESSED** CLAIMS PAYMENT SUMMARY YEAR-TO-DATE TOTAL SPECIAL NOTE: RECIPIENT NAME THE FOLLOWING IS A DESCRIPTION OF THE EXPLANATION CODES UTILIZED THROUGHOUT THE REPORT PROVIDER NUMBER 341XXXX 2249 ADJUSTMENT WRITE-OFF DUE TO TRANSFER OF OUTSTANDING BALANCE. NO EFFECT ON CLAIMS PAYMENT SUMMARY ITEMS (COLUMNS A-1) CHECK WILL BE MAILED IN A SEPARATE ENVELOPE. IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR CLIA - NONE ASSIGNED UPIN - NONE ASSIGNED FROM TO OR

MM DD CCYY MM DD CCYY UNITS SERVICE DATES CLAIMS PAID PO BOX 300009 RALEIGH, NORTH CAROLINA 27622 1000 A PAID CLAIMS AMOUNT DAYS QR 15350.00 PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION 8 WITHHELD AMOUNT(*) 10000.00 . 8 REPORT SEQ. NUMBER NET PAY AMOUNT (A-B) 5350.00 8 TOTAL BILLED CREDIT AMOUNT 2000.00 o . 8 NON ALLOWED 1 E NET 1099 AMOUNT (C-D) ALLOWED TOTAL 3350.00 8 **IRS WITHHELD** PAYABLE CUTBACK AMOUNT DATE . 00 8 11/15/1999 PAYABLE CHARGE G POS & EDI . . DEDUCTED CHARGES OTHER H OTHER W/H PAGE . 8 PAID AMOUNT ADJUSTED (NET PAY (C-F-G-H) EXPLANA-CODES NOIT 5350.00 8

NOTE: <u>Underlined</u> items are fields that were expanded in order to become Y2K compliant

Continuation-Transfer of Receivable Example #4

Continuation The \$500 adjustment indicated below is the transfer of provider number of 341XXXX balance due of \$500 to the active provider number 342XXXX with the

Example #4 same tax identification data - 62-1111111 - MEL Corporation.

Example #4A – Financial Items Section Example #4A – Claims Payment Summary

MEL CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 22222

ס	ΖÞ			т т	7
RINCIPAL JONES WENDY 988844444Q	EGATIVE	RECIPIENT NAME/		RECIPIENT	PROVIDER NUMBER
07/10/ <u>1999</u> 11/11/ <u>1999</u>		FROM DOS/ TXN DATES		X	342XXXX
93 <u>1999</u> 221990120 <u>1999</u> 281750040		ADJUSTMENT ICN/ ORIGINAL CCN	FINANCIAL I	PROCEDURE/A CODE AN	
<u>1999</u> 315001446		PRO TRANSFER ADJ	TEMS: ADJUSTMEN	CCOMMODATION/DF ND DESCRIPTION	REPOR
		OVIDER % W/H / USTMENT % W/H SSS THAN 100%	TS (PRINCIPAL, PEN	RUG TOTAL BILLED	REPORT SEQ. NUMBER
≺		TRANSFER	ALTY, INTEREST	NON ALLOWED	17
50000), REFUND, PA	TOTAL ALLOWED	
50000		ROM PRIOR CYCLE (YOUT ACTIVIT	PAYABLE CUTBACK	- ™
50000		AMOUNT COLLECTED (C)	7	PAYABLE CHARGE	11/15/ <u>1999</u>
00		WRITE-OFF AMOUNT (D)		DEDUCTED CHARGES	PAGE
00		ENDING BALANCE (B-C-D=E) (E)		PAID AMOUNT	2
2243		EOB		TION	EXPI ANA-
	WENDY 07/10/ <u>1999</u> 93 <u>1999</u> 221990120 44444Q 11/11/ <u>1999</u> <u>1999</u> 281750040 <u>1999</u> 315001446	NTS	ENT NAME/ ENT NAME/ ENT NAME/ ENT ID FROM DOS/ FROM DOS/ TXN DATES ORIGINAL CCN TRANSFER ADJUSTMENT (W/H) TXN DATES ORIGINAL CCN CCN LESS THAN 100% INDICATOR (A) (B) (C) (D) (E) WENDY 1/1/1/1999 93/199/221990120 TXN DATES ORIGINAL CCN TRANSFER AMOUNT TRANSFER AMOUNT TRANSFER AMOUNT TRANSFER AMOUNT TRANSFER AMOUNT TYN DATES ORIGINAL CON TRANSFER FROM PRIOR AMOUNT TYN DATES ORIGINAL TYN DATES ORIGINAL TRANSFER FROM PRIOR AMOUNT TO (B) (C) (D) (E) 1/1/1/1999 1/1/11/1999 1/1	FINANCIAL ITEMS: ADJUSTMENTS (PRINCIPAL, PENALTY, INTEREST), REFUND, PAYOUT ACTIVITY FROM DOS/ ENTID FROM DOS/ TXN DATES ORIGINAL CCN CCN LESS THAN 100% FROM DOS/ TXN DATES ORIGINAL CCN LESS THAN 100% FROM DOS/ TXN DATES ORIGINAL CCN LESS THAN 100% FROM DOS/ TXN DATES ORIGINAL CCN LESS THAN 100% FROM DOS/ TXN DATES ORIGINAL CCN LESS THAN 100% FROM PRIOR AMOUNT CYCLE COLLECTED AMOUNT WRITE-OFF BALANCE AMOUNT CYCLE COLLECTED AMOUNT WRITE-OFF BALANCE AMOUNT (B.C.D=E) (E) OT/10/1999 OT/10/	PROCEDURE/ACCOMMODATION/DRUG TOTAL TOTAL

MEL CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111

ANYWHERE

NC 22222

PLEASE VERIFY THE FOLLOWING IDENTIFICATION NUMBERS THAT HAVE BEEN ASSIGNED TO YOU. IF ANY OF THE NUMBERS ARE INCORRECT, PLEASE SEND CORRECTIONS TO: 1099 INFORMATION 1099 - THIS INFORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE
PROVIDER TAX ID: 62-1111111
PROVIDER TAX NAME: MEL CORPORATION
PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968 RALEIGH, NC 27622 #75-2548211 **CURRENT PROCESSED** CLAIMS PAYMENT SUMMARY YEAR-TO-DATE TOTAL SPECIAL NOTE: RECIPIENT NAME THE FOLLOWING IS A DESCRIPTION OF THE EXPLANATION CODES UTILIZED THROUGHOUT THE REPORT PROVIDER NUMBER 342XXXX 2243 TRANSFER OF PRINCIPAL SYSTEM ADJUSTMENT TO ACTIVE PROVIDER WITH SAME TAX I.D. ORIGINAL PROVIDER IS NO LONGER ACTIVE CHECK WILL BE MAILED IN A SEPARATE ENVELOPE. IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR CLIA - NONE ASSIGNED UPIN - NONE ASSIGNED MW DD CCYY MW DD CCYY UNITS SERVICE DATES CLAIMS PAID EFT 111146 PO BOX 300009 RALEIGH, NORTH CAROLINA 27622 1000 6 A PAID CLAIMS AMOUNT DAYS 9R 1115350.00 1500.00 PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION WITHHELD AMOUNT(*) 500.00 . 8 REPORT SEQ. NUMBER NET PAY AMOUNT (A-B) 1115350.00 1000.00 TOTAL BILLED CREDIT AMOUNT 2000.00 o . 8 NON ALLOWED 1 E NET 1099 AMOUNT (C-D) TOTAL ALLOWED 1113350.00 8 **IRS WITHHELD** PAYABLE CUTBACK AMOUNT DATE . 00 8 10/11/1999 PAYABLE CHARGE G POS & EDI .0 . DEDUCTED CHARGES OTHER H OTHER W/H PAGE . 8 PAID AMOUNT ADJUSTED (NET PAY (C-F-G-H) EXPLANA-1115350.00 CODES NOIT 1000.00

Transfer of Receivable Example #5

Example #5 The \$1500 adjustment initiated on Martin Dove reflects an aged balance of more than 60 days with partial claims payment activity in the last 60 days. As a result, after month end 11/99 interest and penalty cycle assessments the total balance due is transferred to provider number 344444X with the same tax identification

data - 62-222222 - DEB Corporation.

Example #5 – Financial Items Section Example #5 – Claims Payment Summary

DEB CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 22222

	NIMBER 89887Y		Одна	REPORT SEO NIIMBER	17		DATE	12/13/1999	PAGE	9	
NAME RECIPIENT ID	CCY X	PROCEDURE/AC CODE AN	PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION	RUG TOTAL BILLED	NON	TOTAL ALLOWED		PAYABLE CHARGE	OTHER DEDUCTED CHARGES		EXPLANA- TION CODES
		FINANCIAL IT	TEMS: ADJUSTMEI	FINANCIAL ITEMS: ADJUSTMENTS (PRINCIPAL, PENALTY, INTEREST), REI	NALTY, INTEREST	"), REFUND, P/	FUND, PAYOUT ACTIVITY	7			
RECIPIENT NAME/	FROM DOS/ TXN DATES	ADJUSTMENT ICN/ ORIGINAL CCN	PR TRANSFER AD CCN L	PROVIDER % W/H / ADJUSTMENT % W/H LESS THAN 100%	TRANSFER	ORIGINAL/ TRANSFER F AMOUNT (A)	FROM PRIOR CYCLE ((B)	AMOUNT COLLECTED (C)	WRITE-OFF AMOUNT (D)	ENDING BALANCE (B-C-D=E)	EOB
ADJUSTMENTS NEGATIVE											
PRINCIPAL DOVE MARTIN 976542317P	08/01/ <u>1999</u> 10/08/ <u>1999</u>	93 <u>1999</u> 264990110 <u>1999</u> 281755440			≺	225000	200000	00	200000	00	2249
PENALTY					SUB TOTAL:	225000	200000	8	200000	8	
DOVE MARTIN 976542317P	08/01/ <u>1999</u> 11/25/ <u>1999</u>	<u>1999</u> 329402350			~	20000	20000	8	20000	00	2249
					SUB-TOTAL:	20000	20000	00	20000	8	
INTEREST DOVE MARTIN 976542317P	08/01/ <u>1999</u> 11/25/ <u>1999</u>	<u>1999</u> 329502360			≺	2060	2060	00	2060	0	2249
					SUB-TOTAL: TOTAL PPI:	2060 247060	2060 222060	8 8	2060 222060	8 8	
	(TOTAL OF COLUMN C FOR PRINCIPAL, PENALTY, AND INTEREST = TO "WITHHELD AMOUNT" ON CLAIMS PAYMENT SUMMARY PAGE)	RINCIPAL, PENALTY, /	AND INTEREST = T	O "WITHHELD AMO	UNT" ON CLAIMS	PAYMENT SUN	/MARY PAGE)				

DEB CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 2222

PROVIDER NUMBER	JMBER 898887X			REPORT SEQ. NUMBER	JMBER	17		DATE	12/13/ <u>1999</u>	PAGE	ယ
NAME	RVICE DATES	0,	PROCEDURE/ACCOMMODATION/DRUG	ATION/DRUG	TOTAL	NON	TOTAL		PAYABI F	OTHER	Ш
RECIPIENT ID	FROM TO OR		CODE AND DESCRIPTION	TION		ALLOWED	ALLOWED	CUTBACK	CHARGE	DEDUCTED CHARGES	AMOUNT CODES
CLAIMS PAYMENT SUMMARY	RY EFT 111146										
	CLAIMS PAID	A PAID CLAIMS AMOUNT	B WITHHELD AMOUNT(*)	C NET PAY AMOUNT (A-B)	D CREDIT AMOUNT	₽Z	E NET 1099 AMOUNT (C-D)	F IRS WITHHELD AMOUNT	G POS & EDI	H OTHER W/H	ADJUSTED (NET PAY (C-F-G-H)
CURRENT PROCESSED	0	.00	.00	.00	.00		.00	.00	.00	.00	
YEAR-TO-DATE TOTAL	20	1152.00	250.00	902.00	150.00		752.00	.00	.00	.00	752.00
1099 INFORMATION 1099 - THIS INFORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE PROVIDER TAX ID: 62-2222222 PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968 I	THIS INFORMATION IF BEING FURNISI PROVIDER TAX ID: 62-2222222 PAYER ID: ELECTRONIC DATA	EING FURNISHED D: 62-222222 TRONIC DATA SY	FORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE PROVIDER TAX ID: 62-2222222 PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968 RALEIGH, NC 27622 #75-2548211	RNAL REVENUE SERVICE PROVIDER TAX NAME: DEB CORPORATION ORATION, PO BOX 30968 RALEIGH, NC 2762	DEB CORPOR 8 RALEIGH, N	ATION C 27622 #7	5-2548211				
EDS PO BOX 300009 RALEIGH, NORTH CAROLINA	EDS PO BOX 300009 RALEIGH, NORTH	EDS PO BOX 300009 RALEIGH, NORTH CAROLINA 27622	N								
	CLIA - NONE ASSIGNED UPIN - NONE ASSIGNED	00									
THE FOLLOW	THE FOLLOWING IS A DESCRIPTION OF THE EXPLANATION CODES UTILIZED THROUGHOUT THE REPORT	OF THE EXPLANA	TION CODES UTILI	ZED THROUGHOU	THE REPORT	7					
2249 ADJUS;	2249 ADJUSTMENT WRITE-OFF DUE TO TRANSFER OF OUTSTANDING BALANCE. NO EFFECT ON CLAIMS PAYMENT SUMMARY ITEMS (COLUMNS A-I)	TO TRANSFER O	= OUTSTANDING B.	ALANCE. NO EFFE	CT ON CLAIMS	PAYMENT	SUMMARY ITE	EMS (COLUMNS A	Ţ.		
* SPECIAL NOTE: IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR * CHECK WILL BE MAILED IN A SEPARATE ENVELOPE. ***********************************	IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR CHECK WILL BE MAILED IN A SEPARATE ENVELOPE.	CE IS TEN PAGES	OR MORE AND YO	U ARE DUE A PAPI	ER CHECK FO	R CLAIMS RI	EIMBURSEME	::::::::::::::::::::::::::::::::::::::	* * * * * * * * * * * * * * * * * * * *	***************************************	***************************************

Continuation-Transfer of Receivable Example #5

Continuation

of

Example #5

The \$1500 adjustment initiated on Martin Dove reflects an aged balance of more than 60 days with partial claims payment activity in the last 60 days. As a result, prior to month end 11/99 interest and penalty cycle assessments the balance due is transferred to provider number 899887X with the same tax identification data - 62-2222222 - DEB Corporation.

Example #5A – Financial Items Section Example #5A – Claims Payment Summary

DEB CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 22222

PROVIDER NUMBER	34444X		REPOR	REPORT SEQ. NUMBER	17		DATE	12/13/ <u>1999</u>	PAGE	2	
NAME SERV		PROCEDURE/A	PROCEDURE/ACCOMMODATION/DRUG	RUG TOTAL	NON	TOTAL	PAYABLE	PAYABLE	OTHER		EXPLANA-
ID MM DD	MM DD CCYY MM DD CCYY UNITS								CHARGES		CODES
		FINANCIAL I	TEMS: ADJUSTME	FINANCIAL ITEMS: ADJUSTMENTS (PRINCIPAL, PENALTY, INTEREST), REFUND, PAYOUT ACTIVITY	NALTY, INTEREST	"), REFUND, P/	AYOUT ACTIVIT	7			
RECIPIENT NAME/	FROM DOS/ TXN DATES	ADJUSTMENT ICN/ ORIGINAL CCN	PR TRANSFER AD CCN L	PROVIDER % W/H / ADJUSTMENT % W/H LESS THAN 100%	TRANSFER	ORIGINAL/ TRANSFER F AMOUNT (A)	ORIGINAL/ TRANSFER FROM PRIOR AMOUNT AMOUNT CYCLE COLLECTEI (A) (B) (C)	AMOUNT COLLECTED (C)	WRITE-OFF AMOUNT (D)	ENDING BALANCE (B-C-D=E)	EOB
ADJUSTMENTS NEGATIVE											
PRINCIPAL DOVE MARTIN 976542317P	08/01/ <u>1999</u> 10/08/ <u>1999</u>	93 <u>1999</u> 264990110 <u>1999</u> 281755440	<u>1999</u> 344001218		≺	200000	200000	200000	00	00	2243
DENAI TY					SUB TOTAL:	200000	200000	200000	00	00	
DOVE MARTIN 976542317P	08/01/ <u>1999</u> 11/25/ <u>1999</u>	<u>1999</u> 329402350	<u>1999</u> 344001225		≺	20000	20000	20000	00	00	2245
					SUB-TOTAL:	20000	20000	20000	00	00	
INTEREST DOVE MARTIN 976542317P	08/01/ <u>1999</u> 11/25/ <u>1999</u>	<u>1999</u> 329502360	<u>1999</u> 344001245		≺	2060	2060	2060	00	00	2247
					SUB-TOTAL: TOTAL PPI:	2060 222060	2060 222060	2060 222060	00	8 8	
(тота	(TOTAL OF COLUMN C FOR PRINCIPAL, PENALTY, AND INTEREST = TO "WITHHELD AMOUNT" ON CLAIMS PAYMENT SUMMARY PAGE)	NCIPAL, PENALTY,	AND INTEREST = T	O "WITHHELD AMOI	UNT" ON CLAIMS	PAYMENT SUN	/MARY PAGE)				

DEB CORPORATION
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 2222

NC 22222

PROVIDER NUMBER	UMBER 34444X			REPORT SEQ. NUMBER	JMBER	17		DATE	12/13/ <u>1999</u>	PAGE	ယ
NAME RECIPIENT ID	N N		PROCEDURE/ACCOMMODATION/DRUG	TION/DRUG	ED AL	NON ALLOWED	TOTAL ALLOWED		PAYABLE CHARGE	OTHER DEDUCTED CHARGES	PAID TION CODES
CLAIMS PAYMENT SUMMARY	RY										
	CLAIMS PAID	A PAID CLAIMS AMOUNT	B WITHHELD AMOUNT(*)	C NET PAY AMOUNT (A-B)	D CREDIT AMOUNT	ĄK	E NET 1099 I AMOUNT (C-D)	F IRS WITHHELD AMOUNT	G POS & EDI	H OTHER W/H	ADJUSTED (NET PAY (C-F-G-H)
CURRENT PROCESSED	25	11555.00	2220.60	9334.40	.00		9334.40	.00	.00	.00	9334.40
YEAR-TO-DATE TOTAL	225	98200.00	4800.00	93400.00	.00		93400.00	.00	.00	.00	93400.00
1099 INFORMATION 1099 - THIS INFORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE PROVIDER TAX ID: 62-2222222 PROVIDER TAX NAME: D PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968	THIS INFORMATION IF BEING FURNISI PROVIDER TAX ID: 62-2222222 PAYER ID: ELECTRONIC DATA	FORMATION IF BEING FURNISHED TO THE INTERNAL REVENUE SERVICE PROVIDER TAX ID: 62-2222222 PROVIDER TAX NAME: DEB CORPORATION PAYER ID: ELECTRONIC DATA SYSTEMS CORPORATION, PO BOX 30968 RALEIGH, NC 27622	TO THE INTERNAL PROV STEMS CORPORAT	RNAL REVENUE SERVICE PROVIDER TAX NAME: DEB CORPORATION ORATION, PO BOX 30968 RALEIGH, NC 2762	CE DEB CORPOR 8 RALEIGH, NO		#75-2548211				
NUMBERS ARE INCORRECT, PLEASE SEND CORRECTIONS TO: EDS	T, PLEASE SEND COR	RECTIONS TO:	HAVE BEEN ASSIG	מהט הס הסט ה	0						
	PO BOX 300009 RALEIGH, NOR	PO BOX 300009 RALEIGH, NORTH CAROLINA 27622	N								
	CLIA - NONE ASSIGNED UPIN - NONE ASSIGNED	ED									
THE FOLLOW	THE FOLLOWING IS A DESCRIPTION OF THE EXPLANATION CODES UTILIZED THROUGHOUT THE REPORT	N OF THE EXPLANA	TION CODES UTILIZ	ZED THROUGHOUT	THE REPORT	·					
2243 TRANS 2245 TRANS 2247 TRANS	2243 TRANSFER OF PRINCIPAL SYSTEM ADJUSTMENT TO ACTIVE PROVIDER WITH SAME TAX I.D. ORIGINAL PROVIDER IS NO LONGER ACTIVE 2245 TRANSFER OF PENALTY FROM SYSTEM ADJUSTMENT TO ACTIVE PROVIDER WITH SAME TAX I.D. ORIGINAL PROVIDER IS NO LONGER ACTIVE 2247 TRANSFER OF INTEREST FROM SYSTEM ADJUSTMENT TO ACTIVE PROVIDER WITH SAME TAX I.D. ORIGINAL PROVIDER IS NO LONGER ACTIVE	STEM ADJUSTMEN NSYSTEM ADJUST NG SYSTEM ADJUS	T TO ACTIVE PROVI MENT TO ACTIVE F	IDER WITH SAME : PROVIDER WITH S.	TAX I.D. ORIGII AME TAX I.D. C SAME TAX I.D. I	NAL PROVID DRIGINAL PR ORIGINAL PI		O LONGER ACTIVE ≀IS NO LONGER ACTIVE R IS NO LONGER ACTIVE	ų ų		
* SPECIAL NOTE: IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR * CHECK WILL BE MAILED IN A SEPARATE ENVELOPE.	IF YOUR REMITTANCE ADVICE IS TEN PAGES OR MORE AND YOU ARE DUE A PAPER CHECK FOR CLAIMS REIMBURSEMENT, YOUR CHECK WILL BE MAILED IN A SEPARATE ENVELOPE.	//CE IS TEN PAGES	**************************************	J ARE DUE A PAPE	**************************************	R CLAIMS RE	**************************************	**************************************	*************	***************************************	SEMENT, YOUR ***********************************

NOTE: Underlined items are fields that were expanded in order to become Y2K compliant

Section IV. Tape RA – Data Accumulation Changes Only

For all providers receiving tape RAs, file layout changes were NOT necessary as a result of the above changes. However, we do want to take this opportunity to explain the definition of certain financial fields to assist further in the payment reconciliation process as noted below:

Financial Item Record

Applied Amount (Position in Record 124-132/Length 9): After 10/1/99 this field will accumulate the data related to all payments applied to satisfy an outstanding balance as well as any adjustments/write-offs applied to satisfy outstanding balance amounts

Provider Balancing Record

Total IRS Withheld Amount (Position in Record 100-110/Length 11): After 10/1/99 this field will accumulate the data related to all amounts withheld for IRS and other purposes, such as IRS and/or NC Department of Revenue tax levies

Section V. Year 2000 Medicaid Remittance and Status Report (RA) Changes

In addition to all the modifications made in the Financial Items and Claims Payment Sections of the RA, all dates and data elements will be expanded to comply with Year 2000 requirements. The current format of all RA date fields is MM/DD/YY (10/01/99). Effective 10/1/1999, all dates on the RA will be modified and reflected as MM/DD/CCYY, 10/11/1999. RA data elements currently reflect the last 2 digits of the year only, such as, the claim number assigned to each claim - 259936555501. Effective 10/01/1999, the claim number data element will be expanded and reflected as 25199936555501 and all other data elements will be modified accordingly.

Y2KCompliant Dates - Claims Section of RA - Example #6

Example #6 Claim section of the RA reflecting Y2K compliant dates. Dates and internal control numbers affected are underlined for easier identification.

XYZ CONVALESCENT CENTER
ACCOUNTS RECEIVABLE DEPT
P O BOX 1111
ANYWHERE NC 22222

	1200025	00	1200025	0	1200025	8	1200025		3 CLAIMS	ω		AMS	TOTAL PAID CLAIMS	*****	
	1200025	0	1200025	00	1200025	0	1200025	***************************************	RSING HOME	INPATIENT NURSING HOME	96	MS	3 CLAIMS		
	450025	00	450025	00	450025	00	450025	.00	.00 TPL=	CO PAY=	.00	PAT LIAB=	.00	DEDUCTIBLE=	
99	1.0000 450025	0	ATTN PROV=67XXXX 450025	8	ADMIT DATE=0303 <u>1999</u> 450025	00	77 450025	MED REC=7777777 3 PLUS ANCI	R&E	CLAIM NUMBER=25 <u>1999</u> 167300666 30 A 100 ALL-INCLUSIVE		M CO=23 RCC= 0601 <u>1999</u> 0630 <u>1999</u>		TURNER JOE 999888888C	
	500000	00	500000	00	500000	00	500000	.00	.00 TPL=	CO PAY=	.00	PAT LIAB=	.00	DEDUCTIBLE=	
99	1.0000 500000	8	ATTN PROV=78XXXX 500000	8	ADMIT DATE=0202 <u>1999</u> 500000	00	500000	MED REC=8888888 B PLUS ANCI	ᅏ	CLAIM NUMBER=25 <u>1999</u> 173200777 30 A 100 ALL-INCLUSIVE		G CO=23 RCC= 0601 <u>1999</u> 0630 <u>1999</u>		SMITH JOHN 99888888B	
	250000	00	250000	00	250000	00	250000	.00	.00 TPL=	CO PAY=	.00	PAT LIAB=	.00	DEDUCTIBLE=	
99	1.0000 250000	8	ATTN PROV=89XXXX 250000	8	ADMIT DATE=0101 <u>1999</u> 250000	0	250000	MED REC=9999999 B PLUS ANCI	₽ 8	CLAIM NUMBER=25 <u>1999</u> 182100888 30 A 100 ALL-INCLUSIVE		D CO=81 RCC= 0601 <u>1999</u> 0630 <u>1999</u>	,	JONES MARY 988888888	
										PAID CLAIMS INPATIENT NURSING HOME	PAID CLAIMS	= 71			
EXPLANA- TION CODES		OTHER DEDUCTED CHARGES	PAYABLE CHARGE	PAYABLE CUTBACK	TOTAL ALLOWED	NON	TOTAL BILLED	TION/DRUG	PROCEDURE/ACCOMMODATION/DRUG		S DAYS OR ORUNITS	M S	MN	NAME RECIPIENT ID	
	2	PAGE	07/06/1999	DATE		19	JMBER	REPORT SEQ. NUMBER				R 3499999	PROVIDER NUMBER	PRO	

Y2K Compliant Dates – Adjustment Section of RA – Example #7

Example #7 Adjustment section of the RA reflecting Y2K compliant dates. Dates and internal control numbers affected are underlined for easier identification.

REMITTANCE AND STATUS REPORT NORTH CAROLINA MEDICAID

P O BOX 1111 ANYWHERE ACCOUNTS RECEIVABLE DEPT XYZ CONVALESCENT CENTER

NC 22222

BARNES *** DEDUCTIBLE= 98888888A RECIPIENT NAME LARRY 88888A 1001<u>1998</u> 1006<u>1998</u> 6 B 86 ADJUSTMENT OF CLAIM 25<u>1999</u>104300400 PROVIDER NUMBER TOTAL ADJUSTED CLAIMS CLAIMS D CO=43 RCC= .00 PATLIAB= мм оо <u>сс</u>үү мм оо <u>сс</u>үү SERVICE DATES 7899999 ADJUSTED CLAIMS INPATIENT ADJUSTMENT CLAIM NUMBER=971999183001888 **ADJ**CREDIT TO 251999100300888 DAYS OR UNITS .00 INPATIENT ADJUSTMENT 6 B W8254 ACH/PC SERVICES; BASIC + EA 94300400 MED REC=1530 COPAY= PROCEDURE/ACCOMMODATION/DRUG
CODE AND DESCRIPTION CLAIMS . ***** TPL= REPORT SEQ. NUMBER . TOTAL BILLED 12550 12550 12550 12550 NON ALLOWED 17 8 8 8 8 ATTN PROV= 0 12550 TOTAL ALLOWED 12550 12550 12550 PAYABLE CUTBACK DATE 07/06/1999 8 8 8 8 PAYABLE CHARGE 12550 12550 12550 12550 DEDUCTED CHARGES OTHER 8 8 8 8 PAID AMOUNT 12550-12550-12550-12550-EXPLANA-CODES 9612 NOIT

Section VI. Explanation of Benefit (EOB) Descriptions

Financial	EOB MESSAGE	ACTION / DEFINITION
EOB#	(as displayed on RA)	
111	Settlement amount added to	Payment by DMA to reimburse provider under unusual circumstances.
	claims payment due to state	The payment amount is added to claims paid amount.
	authorized payout	
112	Check amount reduced by	Claims payment reduced by amounts applied to outstanding balances
	recoupment amount	due (principal only).
113	Refund amount applied and 1099	Monies returned by the provider to the Medicaid program and
	credited for returned Medicaid	processed in Medicaid system. Since funds are returned the amount
	payments	of the annual 1099 is reduced to provide the appropriate credit to the
22.42	D.C., I. a., II. d. t. a., t. t. a. dia.	provider.
2242	Refund applied to outstanding principal, penalty, and interest	Provider refund received and dispositioned, resulting in reduction of outstanding principal, penalty, and interest and also in the provider's
	balances (refer to write-off	1099 IRS amount.
	EOB). 1099 credited for return	1099 IKS amount.
	of Medicaid payments.	
2243	Transfer of principal system	Outstanding balance transferred to this provider number. Originally
	adjustment to active provider	assessed provider number has the same tax identification number as
	with same tax i.d. original	this facility, but is no longer an active Medicaid provider.
	provider is no longer active.	,
2244	Transfer of manual system	Outstanding balance transferred to this provider number. Originally
	adjustment to active provider	assessed provider number has the same tax identification number as
	with same tax I.D. original	this facility, but is no longer an active Medicaid provider.
	provider is no longer active.	
2245	Transfer of penalty from system	Outstanding penalty balance transferred to this provider number.
	adjustment to active provider	Originally assessed provider number has the same tax identification
	with same tax I.D. original	number as this facility, but is no longer an active Medicaid provider.
2246	provider is no longer active. Transfer of penalty from manual	Outstanding papelty belongs transferred to this provider number
2240	adjustment to active provider	Outstanding penalty balance transferred to this provider number. Originally assessed provider number has the same tax identification
	with same tax I.D. original	number as this facility, but is no longer an active Medicaid provider.
	provider is no longer active.	number as ans lacinty, but is no longer an active incurcate provider.
2247	Transfer of interest from system	Outstanding interest balance transferred to this provider number.
,	adjustment to active provider	Originally assessed provider number has the same tax identification
	with same tax I.D. original	number as this facility, but is no longer an active Medicaid provider.
	provider is no longer active.	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,

2248	Transfer of interest from manual adjustment to active provider with same tax I.D. original provider is no longer active.	Outstanding interest balance transferred to this provider number. Originally assessed provider number has the same tax identification number as this facility, but is no longer an active Mmedicaid provider.
2249	Adjustment write-off due to transfer of outstanding balance. No effect on claims payment summary items(columns a-i)	Transfer initiated via this write-off transaction to an active provider with the same tax identification number of the inactive, originally assess provider. Collection of monies due to Medicaid deemed uncollectable under the original provider number.
2250	Adjustment write-off generated due to provider refund. No effect on claims payment summary items(columns a-i)	Provider refunded monies due back to Medicaid program to satisfying outstanding principal, penalty, and interest receivable balances. Claim activity not adequate to satisfy balances.
2251	Adjustment write-off to reverse penalty assessments generated.	Adjustment write-off due generated for the following: provider refund - the date of receipt of refund was prior to the 31 day required timeframe for the assessment of penalty and interest. However, the month-end assessment of penalty and interest was processed prior to system disposition of refund. To rectify the timing issue between assessment and refund disposition, penalty and interest are written-off.
2252	Adjustment write-off to reverse interest assessments generated.	Adjustment write-off due generated for the following: provider refund - the date of receipt of refund was prior to the 31 day required timeframe for the assessment of penalty and interest. However, the month-end assessment of penalty and interest was processed prior to system disposition of refund. To rectify the timing issue between assessment and refund disposition, penalty and interest are written-off.
2253	Adjustment bad-debt write-off. No effect on claims payment summary items(columns a-i).	Write-off due to maximum aging of adjustment. Responsibility for collection of dollars due has been transferred to the division of medical assistance.
2254	One-time penalty adjustment assessed systematically. Assessment of 10% for aged (>30 days) balance due(principal only).	One-time penalty assessment on a system adjustment outstanding greater than thirty days old. Penalty is assessed on principal adjustment balance at a rate of 10% according to nc state statute.

2255	One-time penalty adjustment assessed manually. Assessment of 10% for aged (>30 days) balance due (principal only).	One-time penalty assessment on a manual adjustment outstanding greater than thirty days old. Penalty is assessed on principal adjustment balance at a rate of 10% according to no state statute.
2256	Interest assessment systematically on adjustment of 8% annually for aged (.30 days) balance due (principal penalty & interest)	Monthly interest assessed on system adjustment outstanding greater than thirty days. Interest is compounded annually at a rate of 8% and assessed on the cumulative balance of principal, penalty, and interest at month-end according to no state statute until balance due is satisfied in full.
2257	Interest assessment manually on adjustment of 8% annually for aged (30 days) balance due (principal penalty & interest)	Monthly interest assessed on manual adjustment outstanding greater than thirty days. Interest is compounded annually at a rate of 8% and assessed on the cumulative balance of principal, penalty, and interest at month-end according to no state statute until balance due is satisfied in full.
2258	Claims dollars applied to outstanding penalty adjustment balance	Provider has an outstanding penalty adjustment balance coming into this checkwrite. The provider had claims to pay this checkwrite which were in turn applied to the outstanding debt/adjustment.
2259	Claims dollars applied to outstanding penalty adjustment balance-satisfying 100% of adjustment.	Provider has an outstanding penalty adjustment balance brought forward from last checkwrite and claims paid this checkwrite satisfy the debt/adjustment 100%.
2260	Claims dollars applied to outstanding interest adjustment balance	Provider has an outstanding interest adjustment balance coming into this checkwrite. The provider had claims to pay this checkwrite which were in turn applied to the outstanding debt/adjustment.
2261	Claims dollars applied to outstanding interest adjustment balance-satisfying 100% of adjustment.	Provider has an outstanding interest adjustment balance brought forward from last checkwrite and claims paid this checkwrite satisfy the debt/adjustment 100%.
2262	Penalty payout	Payout of penalty dollars previously withheld. Amount added to paid claims amount". Circumstances/situations resulting in payouts: Reversals of penalty/interest Duplicate refund Provider refund in excess of original payment.
2263	Interest payout	Payout of interest adjustment dollars previously withheld. Amount added to "paid claims amount". Circumstances/situations resulting in payouts: Reversals of penalty/interest Duplicate refund Provider refund in excess of original payment.

North Carolina Statute and Account Receivable Implementation				
This Page Is Left Intentionally Blank				
	20			

Paul R. Perruzzi, Director Division of Medical Assistance Department of Health and Human Services John W. Tsikerdanos Executive Director EDS



P.O. Box 300001 Raleigh, North Carolina 27622 Bulk Rate

U.S. POSTAGE PAID Raleigh, N.C. Permit No. 1087