



STATE OF NEW YORK DEPARTMENT OF HEALTH

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

Antonia C. Novello, M.D., M.P.H., Dr. P.H.
Commissioner

Dennis P. Whalen
Executive Deputy Commissioner

LOCAL COMMISSIONERS MEMORANDUM

TRANSMITTAL NO: 04 OMM LCM-4

DATE: 08/19/04

DIVISION: Office of Medicaid
Management

TO: Local District Commissioners

SUBJECT: Recovery of Confinement and Pregnancy-related Expenses

ATTACHMENTS: Notification to Pregnant Women

In December of 2000, a Dear Commissioner Letter was issued which set forth the circumstances under which a recovery of confinement expenses related to pregnancy may be made. Since the issuance of this directive, it has come to our attention that districts have taken the initiative to provide notice to pregnant women of the circumstances under which a recovery of confinement expenses would be initiated.

The Department agrees that such notification is advisable. However, we do not want to deter pregnant women from receiving prenatal care, which is a contributing factor to low birth weight in infants, resulting in long term medical problems and high rates of infant mortality.

To lessen the deterrent effect that the suggestion of a recovery might have, we are introducing a standard letter, which is attached to this document, for use by local districts that opt to recover pregnancy-related confinement expenses. All districts that pursue recovery of pregnancy-related expenses must send the enclosed letter or an approved local equivalent. The letter must be reproduced on local district letterhead without modification. If a local district prefers to send its own letter to inform a pregnant woman of the pursuit of a recovery of pregnancy-related and confinement expenses, the local equivalent must be submitted to the Office of Medicaid Management for approval.

The letter explains to pregnant women that household income used in determining Medicaid eligibility has an effect on whether recovery is pursued. Districts may also provide this letter to Prenatal Care Assistance Program offices for them to share with applicants.

Date: 08/19/04

Trans. No. 04 OMM LCM-4

Page No. 2

As discussed in the December 5, 2000 Dear Commissioner letter, if the father of an unborn is living with the pregnant woman and fully supporting the household, whether married to the mother or not, Medicaid workers must not request the CSEU to pursue recovery of the child's birth-related expenses. However, if paternity is not established and the case must be referred to Family Court to establish such paternity and future medical support, the discretion of the court will determine the father's liability for the unwed mother's confinement expenses. In other circumstances, if a local district chooses to pursue recovery of confinement expenses, cost effectiveness (the amount reasonably expected to be collected compared to the cost of the recovery effort, as well as the opportunity to collect support in the future) must be considered.

Please note that if a pregnant woman reports that health insurance is available, the insurance must be utilized to reduce Medicaid costs for which reimbursement may otherwise be sought.

If you have any questions about this Medicaid policy, please contact your county liaison in the Office of Medicaid Management's Bureau of Local District Support at (518) 474-8216 for upstate and (212) 268-6855 for New York City.

Sincerely,

Kathryn Kuhmerker, Deputy Commissioner
Office of Medicaid Management

Enclosure