

REV – Provider Withholding Procedure

Purpose:

To provide assistance to the Department in the administration of federal income tax levies, child support recovery liens, income deduction amounts from Medicaid providers that owe the State of Iowa refunds and Sheriffs liens.

Identification of Roles:

For Income Withholds (liens) from Medicaid Providers:

Revenue Collections - Revenue Collections is responsible for the data entry of lien information appearing in Medicaid Management Information System (MMIS).

IME Provider Services- is responsible for providing Remittance Advice information to the providers.

EPOCH - Revenue Collections will receive notice from Epoch regarding provider information. Notification will be in the form of a document sent via US Mail. This document will include the provider's name, social security number or federal Tax Identification number.

For Child Support Recovery income withholds:

Receive a notice of an order to withhold income for child support from the child support recovery (CSR) contractor.

For IRS withholds:

Receive a notice of federal income tax levy from the Internal Revenue Service (IRS).

Performance Standards:

Revenue Collections will process the Child support lien or IRS Levy within 1 business day of receipt and validate the processing of liens within 1 business day after each payment cycle. This work is subject to Quality Analysis (QA) for timeliness and accuracy.

Path of Business Procedure:

Step 1: Receive a notice from Internal Revenue Service (IRS), Child Support Recovery Unit (CSRU), Sheriff's Department or Nursing Facilities of an order to withhold income for child support from the child support recovery (CSR) contractor.

May receive several different types of Internal Revenue Service (IRS) Levies:

- a) IRS Notice of Levy form 668-a – This is a one-time levy which would remain in place for one payment cycle.

- b) IRS Notice of Levy form 668-w – This is a continuous levy which would remain in place until the Levy is satisfied or the IRS sends a Release of Levy Notification.
- Step 2:** Verify provider status on MMIS-#9 Provider Subsystem.
- a) If active, print detail
 - b) If inactive, return documentation noting no record
- Step 3:** Verify no other liens are being held for provider. If other liens exist, return Levy with notation indicating another lien is active and request the Levy to be returned to Iowa Medicaid Enterprise at a later date
- Step 4:** Setup a lien hold recovery provider number in MMIS beginning with “07”. Per IME Provider Services all lien providers must be built using “07” series code.
- a) Access #9 Provider Subsystem
 - b) Do search to determine if Lien Holder is in MMIS
 - c) Enter Action Code “A” to add Lien Holder
 - d) Type “07” and enter-system will generate next number sequence
 - 1) Use address listed on Levy as the Lien Holder address
 - 2) Use 999999999 as the Tax Identification number
 - 3) The Tax type is “E” for government
 - 4) Lien Holder type is “98”
 - 5) Application date is date of Levy
 - 6) Practice type is “05”
 - 7) Under enrollment-status is “1” for active
 - 8) Enter twice to add provider
- Step 5:** Enter lien information on the obligor’s provider number in Medicaid Management Information System (MMIS).
- Step 6:** Setup a hold/review edit on the obligor’s provider number with a hold type of “F”. The begin date of the hold/review should be equal to the notice date.
- Step 7:** If the amount of withhold for a child support lien is more than 50% of monthly income, the amount needs to be changed in MMIS to equal 50%.
7a) The amount of withhold of IRS Notice of Levy forms **668-a** and **668-w** is 100%.
- Step 8:** If the amount needs to be changed in MMIS, notify Core when this has been completed so the claim can be processed for payment.
- Step 9:** Access OnBase; Select File, New-“Provider On Review.” Enter provider information giving detail on how funds should be distributed. Print copy and attach to paperwork.
- Step 10:** After each weekly pay cycle, review OnBase report IAMC7000-R002 to verify that the liens processed correctly for the week.
- Step 11:** If a Notice to Release a Levy is received after the funds have been recovered, gross adjustments can be generated to return the funds. If the provider is unable to wait, Fiscal Management can release a draft to pay the provider.

Step 12: Revenue Collections will process the IRS levy within 1 business day of receipt and validate the processing of liens within 1 business day after each payment cycle.

Step 13: The IRS will send two different styles of levies that will need to be withheld from providers. IRS Notice of Levy Form 668-a, is a one-time levy which will remain in place for one full payment cycle. IRS Notice of Levy form 668-w is a continuous levy which would remain in place until the Levy is satisfied or the IRS sends a Release of Levy notification the IME.

Step 14: Sheriff's liens are also received and the withholding information is based on pay scale. The judgment will clearly state the amount. The document must be signed and returned promptly. Unit Manager for Provider Service Unit is the representative authorized to sign sheriff's lien.

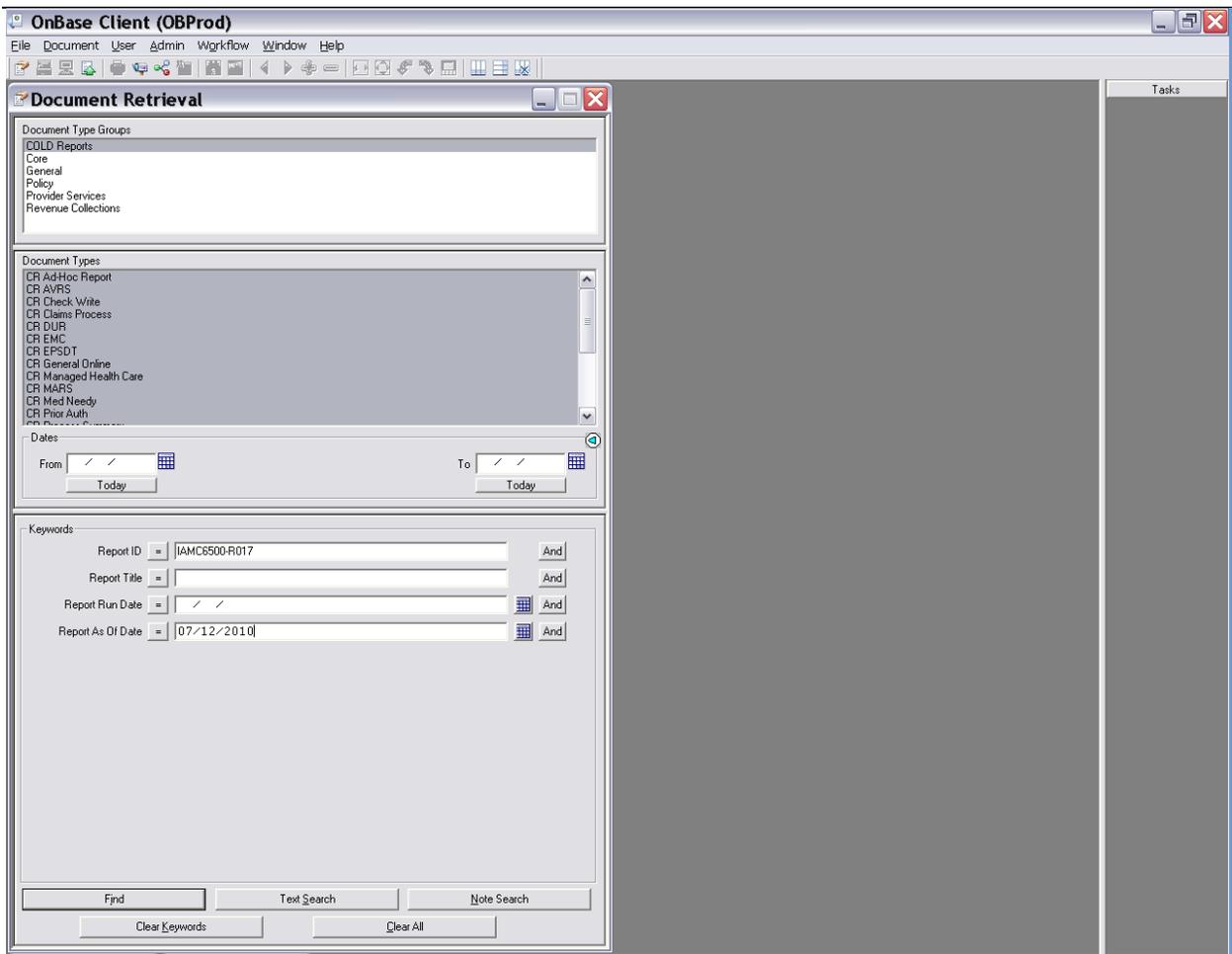
Step 15: CMP (Civil Monetary Penalty)Withholds:

These withholds are applied to nursing homes at the Medicare level. When Medicare is unable to collect they are sent to IME via IME Policy Unit in the form of a letter requesting a monetary offset from future claims. Upon receipt of the request IME/Revenue Collections will accomplish the withhold using the steps noted above (adjustment reason 28). There is no limit to percentage taken so 100% will be applied to obtain as much of the CMP as possible. Each week an email will be sent to original requester to update the status of the withholding until complete.

Forms/Reports:

OnBase reporting for Edits

Iowa Department of Human Services
Iowa Medicaid Enterprise (IME)
Revenue Collections



Aged Detail Suspense Report

Iowa Department of Human Services
Iowa Medicaid Enterprise (IME)
Revenue Collections

IOWA DEPARTMENT OF HUMAN SERVICES MEDICAID MANAGEMENT INFORMATION SYSTEM												PAGE 1
AGED DETAIL SUSPENSE REPORT												AS OF 07/12/10
THE FOLLOWING CLAIMS HAVE BEEN IN THE SYSTEM MORE THAN 0 DAYS												
CURRENT LOCATION 01 CLAIM TYPE HCFA 1500												
TRANSACTION CONTROL NUMBER	RECIPIENT ID	PROVIDER NUMBER	DATES OF SERVICE FROM	TO	LOC DAYS	CLAIM AGE	EXCEPTIONS					
0-10183-22-014-0839-00	1647647F	1164629937	06/09/10	06/09/10	0	1	219-F 101-2	219-F 101-2	597-5 351-5	351-5 318-5	351-5 351-5	
0-10187-22-012-0029-00	2369654F	1811914575	05/26/10	05/27/10	0	0	598-5 103-3	351-5 101-2	351-5 101-2	421-2 351-5	351-5 357-1	101-2
0-10187-22-012-0030-00	2369654F	1811914575	05/28/10	05/29/10	0	0	598-5 101-2	351-5 101-2	351-5 357-1	421-2 351-5	351-5 357-1	101-2
3-10159-00-011-0105-00	2820728I	1295715001	06/01/10	06/01/10	0	24	438-F	438-F	134-5	823-5	101-2	357-1 000
3-10193-00-001-0863-00	0361534A	1417905746	07/07/10	07/07/10	0	0	595-5 101-2	597-5 351-5	370-5 370-5	370-5 370-5	393-5 365-2	101-2
IOWA DEPARTMENT OF HUMAN SERVICES MEDICAID MANAGEMENT INFORMATION SYSTEM												PAGE 2
AGED DETAIL SUSPENSE REPORT												AS OF 07/12/10
THE FOLLOWING CLAIMS HAVE BEEN IN THE SYSTEM MORE THAN 0 DAYS												
CURRENT LOCATION 03 CLAIM TYPE HCFA 1500												
TRANSACTION CONTROL NUMBER	RECIPIENT ID	PROVIDER NUMBER	DATES OF SERVICE FROM	TO	LOC DAYS	CLAIM AGE	EXCEPTIONS					
0-10119-66-008-0002-00	2567907C	1477532174	06/15/09	06/15/09	32	49	595-5 597-5	345-3 433-3	000 000	000 000	000 000	
0-10130-66-016-0136-00	2824498C	1093786139	04/15/10	04/15/10	21	41	598-5	433-3 000	000 000	000 000	000 000	
0-10146-66-011-0288-00	1847905H	1477554814	11/30/09	11/30/09	13	28	595-5 101-2	345-3 145-5	433-3 351-5	104-3 104-3	101-2	
0-10152-66-018-0146-00	2871099D	1386718245	05/24/10	05/24/10	2	25	598-5	433-3 000	000 000	000 000	000 000	
0-10154-66-007-0021-00	2404374A	1477554814	02/17/10	02/17/10	2	24	595-5	345-3 433-3	000 000	000 000	000 000	
0-10155-66-007-0125-00	0685579E	1477532174	04/13/10	04/13/10	13	23	595-5	597-5 433-3	334-3 000	000 000	000 000	
0-10160-66-005-0041-00	1821140E	1477554814	02/15/10	02/15/10	2	20	595-5	433-3 351-5	351-5 104-3	104-3 101-2	101-2	
0-10160-66-008-0100-00	2810700B	1477532174	02/12/10	02/12/10	2	20	595-5 597-5	598-5 345-3	433-3 000	000		

RFP References: N/A

Interfaces: N/A

Attachments:
N/A