



### **To Whom It May Concern:**

As of January 1, 2014, the Affordable Care Act offered new opportunities for health coverage for individuals involved with the criminal justice system to include jails and half-way houses. The purpose of this letter is to advise our provider network of internal processes for handling claims and reimbursement for Medicaid members with involvement in the criminal justice systems (CJS). The Colorado Department of Health Care Policy and Financing (HCPF) has given guidance through *HCPF 14-006 Medicaid Policy for Incarcerated or Inmates in a Correctional Facility* to the county Departments of Human Services. This HCPF Medicaid Policy dictates that “individuals that are incarcerated or inmates in a correctional facility, such as a county jail, are not eligible for Medicaid in accordance with 42 C.F.R. Part 435.1009(a)(1)”. Once the individual is released from a correctional facility their Medicaid benefit may be reinstated or the individual may start the application process. This process must be coordinated with the local Department of Human Services or a Medicaid assistant site. Medicaid may not be billed for services rendered while the member is being detained as an inmate of a county jail. If the individual has permission to leave the jail facility, temporarily, for healthcare services Medicaid may not be billed.

<https://www.colorado.gov/pacific/sites/default/files/2014%20Agency%20Letters%20Number%202014-006.pdf>

While HCPF is working to build the state’s “suspend benefits” function, Value Options will, in the interim, implement the following processes while working on claims, determining eligibility for reporting encounters, and/or authorizations for justice involved members:

1. ValueOptions will work to recoup payment if it is found that a claim was paid while the individual was an inmate of a county jail in accordance with HCPF 14-006 and 42 C.F.R. Part 435.1009(a)(1).
2. ValueOptions will not submit encounters to HCPF for members for the days on which there is knowledge of members being an inmate of a county jail facility.
3. ValueOptions auditors will, randomly, select paid claims and cross reference them with booking records to ensure there were no claims processed while an individual was an inmate of a county jail.

A member will still reflect as being *eligible* for Medicaid via the Medicaid Portal, however if there is knowledge that the member is currently residing in a county jail Medicaid **cannot** be used for payment for mental health and/or substance use disorder treatment. If your practice has submitted claims for any Medicaid members who were inmates of a county jail at the time of service please contact Julie Luton, National Claims Business Analyst at (757) 892-5793 to work on reversing those funds.

ValueOptions remains committed to supporting our partners' success contingent with state and federal Medicaid regulations. If there are any questions or concerns about this new process or about working with the criminal justice systems please contact Tina Gonzales, Criminal Justice Systems Coordinator at 719-579-7894.

Thank you



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**Value Options**  
Jessica Provost  
Provider Relations Manager

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