

700 SW Jackson Street  
Suite 501  
Topeka, KS 66603-3757



Phone: (785) 296-0923  
Fax: (785) 296-0927  
<http://www.kansas.gov/ksc>

Honorable Richard M. Smith, Chair  
Honorable Evelyn Z. Wilson, Vice Chair  
Scott M. Schultz, Executive Director

Sam Brownback, Governor

November 8, 2012

TO: SB 123 Treatment Providers

RE: New Insurance Billing Policy

As most of you are aware, the insurance billing policy has been changed by the Commission and will be effective January 1, 2013. Since the initial correspondence about the change in insurance billing policy, we have received very valuable feedback and questions from providers. The Commission addressed some of these questions at its meeting on October 25 and the following decisions were made:

**Will delayed response from insurance companies cause invoices to be rejected by KSC?**

As is stated in the SB 123 Operations Manual, version 3.0, "Invoices received from treatment providers submitted for treatment later than 45 days (actual days, not working days) from the end of the month for which treatment is being billed *shall be denied* by the ISO and director." With the change in insurance billing, the Commission decided to add language to the Operations Manual to account for response time from insurance companies. The new policy will allow for the submission of treatment invoices up to 45 days from the date of denial from the insurance company. A copy of the denial of service letter should be forward to the KSC with the treatment invoices.

**Will KSC reimburse the difference between the provider rate and insurance rate of treatment?**

Yes, the KSC will pay the difference. Providers will need to submit the treatment invoices as normal and also submit a new form documenting the payments received through an insurance claim. We are currently working on the insurance documentation form. The new form will be made available prior to January 1, 2013, on our website.

**Will KSC accept treatment invoices for treatment if the claim is denied by insurance?**

Yes, the KSC will pay for offender treatment if it is denied by an offender's insurance company. The treatment will still need to meet the current program requirements and a copy of the denial of service from the insurance company will need to be forwarded to the KSC.

The above questions were the most common questions received after the announcement of the insurance billing change in late August. The KSC is committed to providing all appropriate treatment to SB 123 offenders and will work with providers to ensure that treatment is funded at the agreed upon rate. We greatly appreciate the feedback we have received and encourage you to contact Jarod Walter, SB 123 Program Manager, with any questions you have regarding the new policy. Thank you.

  
Scott M. Schultz  
Executive Director