

A L E R T

6/26/2020

TO: Hospitals

RE: 20% Increase in Per Diem Rates for COVID-19 Related Acute Care Hospital Inpatient Stays

Effective for dates of service beginning March 1, 2020, Medicaid will increase per diem rates by 20% for COVID-19 related hospital inpatient stays due to an increase in cost associated with staffing, supplies, social distancing standards and other factors.

Starting with the checkwrite dated July 3, 2020, hospital providers will receive reimbursement as a system payout on the remittance advice for COVID-19 related inpatient claims with a date of service on or after March 1, 2020, retroactively. Only inpatient claims with a COVID-19 related diagnosis code(s) will receive this 20% increase in payment. This does not include Medicare crossover claims.

During the COVID-19 emergency, it is important to file claims as quickly as possible to ensure payment from Medicaid is made to Medicaid providers close to the date of service. The Centers for Medicare and Medicaid Services has increased the federal matching percentage for the emergency time frame, but states can only receive the increased match on claims that are paid during the emergency.

If you have questions, please visit the Medicaid website at www.medicaid.alabama.gov, or call the Medicaid Fiscal Agent at 1-800-688-7989.

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