



Provider Notice 1.12 Addendum

May 5, 2008

» *SED Waiver*

Under the SED Waiver program there are two components of family financial obligations: Member (patient) liability and family obligation. Both of these amounts are established by SRS during the waiver approval process. SRS is responsible for the collection of the family obligation amount. KHS and its Provider network is responsible for the collection of the member liability amount from these families.

» *How is Member liability being handled by KHS?*

Member liability for SED Waiver kids is the responsibility of the member. KHS is unable to deny claims (offset claim payments) for the amount of the member liability (similar to managing spenddown) in the current month. Therefore KHS will recoup the member liability against paid claims in the month following claim payment. KHS will begin recouping prior adjudicated claims after June 1, 2008.

Steve Richards
Chief Financial Officer

Changes will go into effect 30 days following the date of publication of Provider Notice.