



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administration

The Administrator
Washington, D.C. 20201

MAY 11 1994

Mr. Rod L. Betit
Executive Director
Department of Health
288 North 1460 West
Salt Lake City, Utah 84116-0700

Dear Rod:

I am following on my earlier letter concerning the Medicaid policy on providers charging program recipients for missed appointments and your subsequent letter reiterating your concerns.

As you requested, I asked the Medicaid Bureau to reevaluate its policy in light of your concerns about access and in terms of what other States may already be doing. After careful consideration of the issues involved, I determined that the Medicaid program will maintain its long-standing policy which does not permit providers to bill program recipients who miss scheduled appointments. This policy is based on the reasoning that a missed appointment is not a distinct reimbursable Medicaid service, but a part of providers' overall costs of doing business. The Medicaid rate covers the cost of doing business, and providers may not impose separate charges on recipients.

Although I share your concerns that the cost of missed appointments may discourage dentists from participating in Medicaid and may harm access to dental services, I am also concerned about the access implications of situations in which Medicaid recipients are required to pay for health services. I believe that recipients may be reluctant to seek or receive necessary services if they have an outstanding bill with a provider. Furthermore, I see no legal basis to permit dentists to bill for missed appointments without permitting all types of providers to do the same, even when there is no shortage of such providers. This would result in a large expansion of the program, and might also encourage fraud and abuse.

With regard to your concern that other States permit providers to bill recipients for missed appointments, I have asked the Medicaid Bureau to work with our regional office staff to ensure that appropriate actions are taken.

Sincerely,

Bruce C. Vladeck
Administrator

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