

Third Party Liability Tip Sheet

According to State and Federal regulations, Medicaid and thus, MDwise, is the payer of last resort. This means that if a MDwise member has any other resources available to pay for, or help pay for, the cost of his or her medical care, that resource must be used before any payment by MDwise.

TPL best practices:

- Ask your patients if they have a primary insurance coverage. Check HP's web interchange or the HP TPL file for information on other coverage the patient may have.
- Bill the primary insurer first before submitting a claim to MDwise.
- If you are aware that a member has new primary coverage or has lost primary coverage, please alert MDwise through our customer service line **1-800-356-1204**.
- If you have a specific TPL related question contact your delivery system provider relations department.

Submitting TPL Claims to MDwise

- Providers must include a copy of the third party's explanation of benefits when submitting a claim to MDwise.
- MDwise will pay the difference between payment made by the primary insurance carrier and MDwise's total allowable charge for the covered service.
- If the primary insurance paid more than MDwise's total allowable charge the claim will pay zero.
- If a MDwise delivery system has already paid the provider and subsequently the provider obtains TPL payment, the provider must submit a refund to the applicable MDwise delivery system.
- HIP members should not have other insurance (but could have Eskenazi Advantage or VA coverage)
- MDwise uses a private vendor, HMS (Health Management Systems), to perform regular data matches between MDwise members and commercial insurance eligibility files. The primary match key is the Social Security number.
- In some cases, even if there is third party coverage involved, MDwise must first pay the provider and then coordinate with the liable third party. This applies when the claim is for:
 - > Prenatal care for a pregnant woman.
 - > Preventive pediatric services (including EPSDT) that are covered by the Medicaid program APP0211 (9/15).
 - > Coverage derived from a parent whose obligation to pay support is being enforced by the State Title IV-D Agency and the provider has not received payment from the third-party within 30 calendar days after the date of service.

Liability Insurance

If a provider is aware that a member has been in an accident; however, does not yet know who the liable third party is, the provider can bill MDwise. If MDwise is billed, the provider must note the claims are for accident-related services on the applicable claim form. If a provider initially pursues payment from the liable third party and the claim is submitted to MDwise after the filing time limit, the claim may be denied.

Third-Party Payer Fails to Respond (90-Day Provision)

When the member has other insurance, a MDwise provider must submit claims to the other insurance carrier before submitting to the MDwise delivery system. When a third-party insurance carrier fails to respond within 90 days of the provider's billing date, the claim can be submitted to the MDwise delivery system for payment consideration. However, one of the following must accompany a claim to substantiate attempts to bill the third party or the claim will be denied:

- Copies of unpaid bills or statements sent to the third party, whether an individual or an insurance company. Provider must note the date of the billing attempt and the words no response after 90 days on an attachment. This information must be clearly indicated.
- Written notification from the provider indicating the billing dates and explaining that the third party failed to respond within 90 days from the billing date. The provider is required to boldly make a note of the following on the attachment:
 - > Date of the filing attempt.
 - > The phrase "no response after 90 days."
 - > Member identification number (RID) & Provider's National Provider Identifier (NPI).
 - > Name of primary insurance carrier billed.
- For claims filed electronically, the following must be documented in the claim note segment of the 837P transaction:
 - > Date of the filing attempt.
 - > The phrase "no response after 90 days."
 - > The member's identification (RID) number & IHCP provider number.
 - > Name of primary insurance carrier billed.