ADJUSTMENTS AND THIRD PARTY LIABILITY

2015 Fall Provider Training

DISCLAIMER

SoonerCare policy is subject to change

The information provided in this presentation is current as of August 1, 2015

AGENDA

Adjustments
• Rules
• What is an adjustment?
• When and why
• How to request an adjustment
• Internal Control Number (ICN) logic
• Refunds
• Resources
AGENDA

Third Party Liability (TPL)
- What is TPL?
- HMOs and PPOs
- When to bill a member
- Can a TPL edit be bypassed?
- HMS and the recovery process
- Resources
- Questions

ADJUSTMENTS

RULES

OHCA 317:30-3-12
- “When an overpayment has occurred, the provider should immediately refund the Authority, by check, to the attention of the Finance Division.”
- Request for recoupment is accepted in place of a refund
- Wait until payment is received by OHCA
RULES

42 CFR Part 433.312
- The state must refund the federal share of all overpaid claims to CMS within one (1) year of discovery of an overpayment
- “…whether or not the state has recovered the overpayment from the provider.”

ADJUSTMENTS

What is an adjustment?
- Changes to a paid claim
- Overpayment
  - Negative adjustment — OHCA will recoup money paid in error
- Underpayment
  - Positive adjustment — OHCA will pay in addition to amount originally paid
- Correction of data not affecting payment

ADJUSTMENTS

Common adjustment reasons:
- Requested by provider
- Primary insurance coverage (TPL)
- Medicare primary
- Audits
  - State-contracted auditors are paid a flat rate, not a percentage of the recoupmnet
  - State-employed auditors are salaried only
- System issues
**ADJUSTMENTS**

There are two (2) types of adjustments:

- **Partial**
  - Claim shows to be in PAID status
  - OHCA recovers only part of the original payment or makes an additional payment
- **Full**
  - Claim shows to be in DENIED status
  - The full original payment is recouped
  - Claim can remain in PAID status if the recoupment is due to a TPL

**ADJUSTMENTS**

How to request an adjustment:

- Telephone requests cannot be processed
- The proper form must be completed, and the appropriate paperwork must be attached
  - HCA-14
  - UB-04, Inpatient/Outpatient crossover claims
  - HCA-15
  - 1500, Dental and Part B crossover claims
  - Pharm-3
  - Pharmacy claims

**ADJUSTMENTS – REFUNDS**

Reasons to refund OHCA:

- Billing error
- Medicare primary
- TPL – primary insurance carrier

Refunds vs. Recoupments:

- **Refunds** balance the account immediately
- **Recoupments** come out of future payments
ADJUSTMENTS – REFUNDS

When sending a refund to OHCA, the following must be sent with the refund:

- Adjustment request form
  - HCA-14, HCA-15 or Pharm-3
- Remittance advice (RA)
  - Specific claim circled or highlighted in yellow
- Insurance EOB or Medicare EOB
- Payment
  - Ensure the accuracy of the amount being refunded

ADJUSTMENTS – REFUNDS

SoonerCare is the payer of last resort:

- Amount to refund – TPL
  - If a TPL reimburses you more than the SoonerCare allowable, you are required to refund the full reimbursement to OHCA
  - When a TPL reimburses you less than the SoonerCare allowable, you should refund OHCA the amount paid to you by the TPL

ADJUSTMENTS – REFUNDS

SoonerCare is the payer of last resort:

- Amount to refund – Medicare
  - When Medicare is the primary payer, the full OHCA reimbursement to you should be returned to OHCA
  - The claim should be resubmitted as a Medicare crossover claim to have it paid correctly
Adjustments and Third Party Liability
INTERNAL CONTROL NUMBER (ICN) LOGIC

What is an ICN and what information does it provide?
ICN – INTERNAL CONTROL NUMBER

Logical format:
- Region code
- Year of submission
- Julian date
- Claims processing sequence

Example: 2214001123456
- 22 – Region code
- 14 – Year submitted
- 001 – Julian date
- 123456 – 6-digit claims processing sequence #

ICN LOGIC – REGION CODES

- 10 — Paper claim
- 11 — Paper claim with attachment
- 20 — Electronic claim (Electronic Data Interchange)
- 21 — Electronic claim with attachment
- 22 — Web submission (Direct Data Entry)
- 23 — Web submission with attachment
- 49 — Recipient linked adjustment
- 50s — Adjustments
- 59 — Provider voided claim on the portal
- 60s — HMO copay adjustments
- 90s — Special processed claims
- 92 — HMO copay claims submitted on paper
- 94 — HMO copay claims submitted on the Provider Portal

ICN LOGIC – REGION CODES

Region codes 50-65 – Adjustments
- 50 — Partial adjustment – recoupment or pay out
- 51 — Partial adjustment – refund
- 52 — Mass adjustment
- 55 — Mass rate adjustment
- 56 — Full void – recoupment
- 57 — Full void – refund
- 59 — Provider voided claim
- 64 — HMO copay adjustment with refund
- 65 — HMO copay adjustment without refund
RESOURCES – WHERE TO LOOK FOR HELP

OHCA Adjustment Unit
800-522-0114 or 405-522-6205
• Option 3, 1
• Adjustments – Amy Whiteley
• Refunds – Tonya Martin

OHCA Call Center
800-522-0114 (toll-free) or 405-522-6205
• Option 1

THIRD PARTY LIABILITY (TPL)

WHAT IS TPL?

TPL – Third Party Liability
• Another party is responsible for paying health care costs prior to (and sometimes after) SoonerCare
• SoonerCare is the payer of last resort, with exceptions
  – All other available third party resources must meet their legal obligation to pay claims before the Medicaid program pays for the care of an individual eligible for SoonerCare
TPL – THIRD PARTY LIABILITY

How does OHCA determine a member’s TPL?
- Providers, members and HMS notify OHCA if a member has TPL or if the policy has termed
- HMS does data matches with the insurance carriers to verify the coverage start and end dates

TPL – THIRD PARTY LIABILITY

TPL and the Medical Home (SoonerCare Choice)
Effective 7/1/2014:
- Policy was amended to make individuals with other forms of creditable health insurance coverage ineligible for SoonerCare Choice
- Additionally, members currently enrolled in SoonerCare Choice who have or gain other forms of creditable insurance will be unenrolled from SoonerCare Choice

TPL EXAMPLES

- Medicare
- Private health insurance
- TRICARE
- Casualty/Tort settlements
- Worker’s compensation
**TPL EXAMPLES**

- To access a list of TPL carriers (including carrier name, code, address, telephone and contact, if available) and a list of private pay HMO Medicare replacement policies, go to:
  - www.okhca.org
    - Providers>Claim Tools>Third Party Liability
  - www.okhca.org/TPL

**MEDICARE DUAL ELIGIBILITY**

- Medicare is primary; SoonerCare is secondary
  - Also known as crossover claims
- OHCA pays a percentage of the coinsurance and deductible
- Claims should cross over automatically from Medicare
  - If the claims don’t cross over, they can be submitted on the Provider Portal
- Do NOT put the Medicare payment information in the TPL field of the claim
MEDICARE HMO

- HMO replaces Medicare as primary; SoonerCare is secondary
- OHCA pays ONLY the copay
  - Copay limit:
    - $200 per 1500 claim
    - $1,000 per UB-04 claim
- In the following situations, Medicare HMOs revert back to traditional Medicare:
  - Durable Medical Equipment (DME)
  - Long-Term Care (LTC)
  - Hospice

MEDICARE HMO

- Blue Cross Medicare Advantage
- AARP Medicare Complete – Secure Horizons
- Generations Healthcare Classic
- Coventry Advantage
- Humana Gold Plus
- Aetna Medicare Value Plan
- Arcadian Health Plans
- Community Care Senior
- Select Care of Oklahoma/Tribute

MEDICARE HMO – MENTAL HEALTH PLANS

- APS
- EverCare
- United Behavioral Health
MEDICARE HMO

DME, LTC and Hospice claims are processed as traditional crossover claims
To do this, you must submit a letter explaining the “non-HMO” status of payments to:

OHCA Provider Services
P.O. Box 18506
Oklahoma City, OK 73154

MEDICARE – HMO COPAY

• HMOs can be submitted on the Provider Portal
• Do NOT bill for any charges other than the copay on the claim
• Do NOT enter payment in any TPL field
• A copy of the EOB is required

MEDICARE – HMO COPAY

Step 1

Provider Information

Patient Information

Claim Information

Other Information

Total Charged Amount: $0.00
MEDICARE – HMO COPAY

Step 1:

Patient Information:
- Medicaid ID:
- Other insurance ID:

Provider Information:
- Name:
- NPI:
- NPI:
- Address:
- Phone:

Step 3: Attachment

- When billing for the copay, only submit one (1) line of service with the amount of the copay.
- The process for sending your attachment is the same as for commercial insurance; you can fax or upload your documentation.
  - Make sure to use the fax cover sheet generated by the Provider Portal, if you choose Fax.

MEDICARE – HMO COPAY WITH ATTACHMENT

No attachment cover sheet required.
**MEDICARE – HMO COPAY WITH ATTACHMENT**

**ATTACHMENT COVER SHEET**

Four fields below are required and must match claim.
1. Provider Number
2. Client ID Number
3. Attachment Control Number
4. Claims Number
5. Unit(s)/Home

### Instructions
1. In box 1, fill in the Provider Number that will be used for filing the electronic claim.
2. In box 2, fill in the nine-digit client identification number that was submitted on the electronic claim.
3. In box 3, fill in the Attachment Control Number (ACN) that was used for filing the attachment. If no ACN is listed, contact the EDI for an ACN to be assigned on the ACN.
4. In box 4, fill in the ID number that was assigned to the electronically submitted claim.

Note: Do not place another Fax Cover Sheet on top.

**MEDICARE – HMO COPAY**

- HMO claims can be sent to:
  
  HP Administrative Services
  
  P.O. Box 18500
  
  Oklahoma City, OK 73154

- HMO claims submitted on paper that have been processed correctly have an IGN number that begins with **92**

- **Do NOT** bill for any charges other than the copay on the claim.

- **Do NOT** enter payment in any TPL field.

- HMOs are also available on the Provider Portal.
MEDICARE PPO

- PPO replaces Medicare as primary; SoonerCare is secondary
- These are processed exactly like Medicare dual eligible claims
  - Also known as crossover claims
- OHCA pays a percentage of the coinsurance and deductible

MEDICARE PPO

- Blue Cross Medicare Advantage Choice
- Coventry Freedom
- Humana Choice
- Today's Options Premier
- Lovelace Medicare Plan of Oklahoma
MEDICARE PPO – CLAIM SUBMISSION

Provider Portal

• Do NOT put the Medicare payment information in any of the TPL fields
• Put the copay amount in the deductible or coinsurance field

MEDICARE PPO – CLAIM SUBMISSION

Paper claim submission

• Write “crossover claim” at the top of the claim
• Must include HCA-28 form
• Do NOT put the Medicare payment on the claim form
• EOB not required

TPL – PRIVATE PAY HMO
PRIVATE PAY HMO

- HMO is primary; SoonerCare is secondary
- OHCA pays copay amount only
- Copay limits:
  - $200 per 1500 claim
  - $1,000 per UB-04 claim

PRIVATE PAY HMO

- Aetna U.S. Healthcare
- BlueLincs HMO
- Community Care HMO
- Global Health
- PacifiCare of Oklahoma

PRIVATE PAY – HMO COPAY

Step 1

[Please refer to the form for specific information on Step 1, including required fields and provider information.]
PRIVATE PAY – HMO COPAY

Step 3: Attachment

- When billing for the copay, only submit one (1) line of service with the amount of the copay.
- The process for sending your attachment is the same as for the commercial insurance; you can fax or upload your documentation.
  - Make sure to use the fax cover sheet generated by the Provider Portal, if you choose Fax.

PRIVATE PAY – HMO COPAY WITH ATTACHMENT

File Transfer

No attachment cover sheet required
PRIVATE PAY – HMO COPAY WITH ATTACHMENT

ATTACHMENT COVER SHEET

PRIVATE PAY – HMO COPAY

• HMO claims can be sent to:
  HP Administrative Services
  P.O. Box 18500
  Oklahoma City, OK 73154

• HMO claims submitted on paper that have been processed correctly will have an ICN number that begins with 92

• Do NOT bill for any charges other than the copay on the claim

• Do NOT enter payment in any TPL field

• HMOs are also available on the Provider Portal
TPL – PRIVATE PAY PPO

PRIVATE PAY PPO – 1500

Claims can be submitted on the Provider Portal

• If the primary pays, choose Include from Other Insurance drop-down menu

PRIVATE PAY PPO – UB-04

Claims can be submitted on the Provider Portal

• If the primary pays, choose Include from Other Insurance drop-down menu
PRIVATE PAY – PPO

If the primary insurance denies or applies the claim to deductible, choose Denied from Other Insurance drop-down menu.

PRIVATE PAY – PPO COPAY WITH ATTACHMENT

File Transfer

No attachment cover sheet required

PRIVATE PAY – PPO COPAY WITH ATTACHMENT

Fax

Attachment cover sheet required
ATTACHMENT COVER SHEET

Adjustments and Third Party Liability

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CHANGES TO 1500 CLAIM FORM (cont.)

Additional information can be accessed on the public website:

- New 1500/Professional Claim Form Instructions

CASUALTY CASES

Billed to SoonerCare

- You can bill SoonerCare for casualty cases and OHCA will pay the SoonerCare allowable
- When third parties are identified, OHCA presents all claims associated with the accident to the responsible third party for reimbursement

CASUALTY CASES

Billed to insurance

- If payments are received from a casualty insurance, OHCA can still be billed and will pay up to the allowable minus what the casualty insurance paid
BILLING THE MEMBER

Providers **CAN** bill the member for the following:

- SoonerCare copay
- Service rendered is a non-covered service
- Member went to a non-participating provider with either their private insurance or SoonerCare
- Member does not adhere to all rules of the primary and SoonerCare
  - Example: prior authorization (PA) requirements or network requirements

BILLING THE MEMBER

Providers **CANNOT** bill the member for the following:

- If the patient has a potential casualty case
  - Example: auto accidents or worker’s compensation cases
- Covered services
  - Member is not responsible for the primary insurance copay, only the SoonerCare copay

HMS: RECOVER AND RECOUPMENT PROCESS

- If you receive a letter from HMS about a recoupment, contact the number on the letter; failure to do so will result in recoupment
- Do NOT self-void your claim or go through the Adjustments Unit; this only makes the process more difficult in the long run
HMS: RECOVER AND RECOUPMENT PROCESS

If it is discovered that a member has another insurance after OHCA has paid the provider:

• Do NOT void or adjust your claim until you receive payment from the other insurance company
• The insurance company may have already paid OHCA for this claim
• If insurance shows up on the member’s eligibility after the provider has been paid by OHCA, there is a good chance OHCA has already filed a claim and/or been paid by the insurance company

TPL RESOURCES

www.okhca.org
• Provider Forms: www.okhca.org/forms
  – TPL-1 Form
  – HCA-28 Form
• Provider Billing Manual (chapter 14)

800-522-0114 (toll-free) or 405-522-6205
• Option 3, 2 for Third Party Liability

QUESTIONS