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 recoupment
  - 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
### COMPLETING THE HCA-14 FOR AN ADJUSTMENT/REFUND

**Mailing address:**

OHCA – Adjustments  
4345 N. Lincoln Blvd.  
Oklahoma City, OK  
73105

### COMPLETING THE HCA-15 FOR AN ADJUSTMENT/REFUND

**Mailing address:**

OHCA – Adjustments  
4345 N. Lincoln Blvd.  
Oklahoma City, OK  
73105

### COMPLETING THE PHARM-3 FOR AN ADJUSTMENT/REFUND FOR A PRESCRIPTION CLAIM

**Mailing address:**

OHCA – Adjustments  
4345 N. Lincoln Blvd.  
Oklahoma City, OK 73105
PROVIDER PORTAL – VOIDING A CLAIM

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 #

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**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

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**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 terminated.
- HMS does data matches with the insurance carriers to verify the coverage start and end dates.

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**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.

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**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

TPL – MEDICARE DUAL ELIGIBILITY

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
1500 CROSSOVER INFORMATION

Provider Information:
- Billing Provider ID:
- Referring Provider ID:
- Attending Provider ID:
- Operating Provider ID:
- Filing Provider ID:
- Sending Provider ID:
- Provider Name:
- Facility Name:
- Medicare Number:
- NPI:

Patient Information:
- General Practice Information:
  - Name:
  - Address:
  - Phone:

Other Information:
- General Information:
  - Address:
  - City:
  - State:
  - Zip Code:

UB-04 CROSSOVER INFORMATION

Patient Institutional Code: Step 1
* Indicates a required field.

Provider Information:
- Billing Provider ID:
- Referring Provider ID:
- Attending Provider ID:
- Operating Provider ID:
- Filing Provider ID:
- Sending Provider ID:
- Name:
- Medicare Number:
- NPI:

Medicare Crosser Details:
- Beneficiary Crosser Information:
  - Medicare Crosser Information:
  - Medicare Crosser:
  - Medicare Crosser Identification:
  - Medicare Crosser Number:

Medicare Crosser Details:
- Beneficiary Crosser Information:
  - Medicare Crosser Information:
  - Medicare Crosser Identification:
  - Medicare Crosser Number:

TPL – MEDICARE HMO
**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**

- **Adjustments and Third Party Liability**

**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**

[File Transfer]

No attachment cover sheet required
MEDICARE – HMO COPAY WITH ATTACHMENT

ATTACHMENT COVER SHEET

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 ICG 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 – MEDICARE PPO

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

Provider Information

Patient Information

Enter this number 10. If number 10 is valid, the rest of the member information will populate.

Claim Information

Other insurance information applicable to the claim, if other insurance information exists to be entered, then it should be selected in the other insurance dropbox. This other insurance can be entered on Screen Step 2.
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

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

**Fax**

<table>
<thead>
<tr>
<th>Transmission Method</th>
<th>File</th>
<th>Control #</th>
<th>Attached Type</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>By Fax</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Attachment cover sheet required**

### ATTACHMENT COVER SHEET

Oklahoma Health Care Authority
Electronic Claim Paper Attachment Form
Cover Sheet

Four fields below are required and must match each other:
1. Provider Number: 100000000D
2. Client ID Number: 899122345
3. Attachment Cover Sheet Number: 9999999999
4. Claim Number: 9800000001
5. Date/Time: 7/15/2015 9:41 AM

**Preceptor:**
This form is to be used when a claim requiring a paper attachment is being submitted electronically. Submission of this completed form along with the required attachment and electronically submitted claim will allow the appropriate review process to be conducted by the OHCQA.

**Instructions:**
1. In box 1, fill in the Provider Number that will be used for filling 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 ID in the Attachment Cover Sheet Number (ACSN) that was used for filing the electronic claim. The ACSN on this form must be the same number as the assigned contract number field of the Electronic Claim Interface (ECI), to the right of the PCS segment of the ECI transaction. Make sure the ID is clear and legible on the OHCQA.
4. In box 4, fill in the identification number that was assigned to the electronically submitted claim.
5. Place the completed form on top of the attachment(s) for each electronic claim.
6. Mail to OHCQA, P.O. Box 18500 OKC, OK 73154, Fax 405-547-3356

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

**Sender's Name:**

**Phone Number:**

**Date:** 7/15/2015

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### PRIVATE PAY – HMO COPAY

- **Paper Submission**

- **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
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**

Oklahoma Health Care Authority
Electronic Claim Paper Attachment Form
Cover Sheet

Four fields below are required and must match claims.

1. Provider Number: 0000000000
2. Claim ID Number: 201122345
3. Attachment Control Number: 3785678899
4. Claim Number: 2310011111
5. State/Term: OK

Preparer:
This form is to be used when a claim requiring a paper attachment is being submitted electronically. Submission of this completed form along with the required attachment and
information will allow the claim to be processed.

Instructions:
1. In Box 1, fill in the pay to Provider Number that will be used for filing the electronic claim.
2. In Box 2, fill in the nine digit identification number that was submitted on the electronic claim.
3. In Box 3, fill in the ID in the Attachment Control Number (ACN) that was used for filing the electronic claim. The ACN on this form must be the same number as the assigned control number on the electronic claim submission. Refer to the ACN on the ACH uniform identification number (UIN) to the ACN assigned on the ACH uniform identification number. The ACN assigned on the ACH uniform identification number will identify and verify the claim.
4. In Box 4, fill in the identification number that was assigned to the electronically submitted claim.
5. Place the completed form on top of the attachment(s) for each electronic claim.

Note: do not place another Cover Sheet on top.

*This form is to be used only for electronically filed claims requiring attachments.*

**CHANGES TO 1500 CLAIM FORM (cont.)**

<table>
<thead>
<tr>
<th>#</th>
<th>Field</th>
<th>Change</th>
</tr>
</thead>
</table>
| 1 | 17 | Field will now require the following qualifiers:  
| | | • “DN” for Referring Provider  
| | | • “DK” for Ordering Provider  
| | | • If you have an electronic referral, the referring NPI number is not required on the claim |
| 2 | 19 | Field will now be used to report “Carrier Denied” on a claim |
| 3 | 21 | Field has expanded to allow a maximum of 12 diagnosis codes with 7 characters per code |
| 4 | 29 | Field will now be used to report TPL payments |

Note: fields 10d and 30 will no longer be used; leave these fields blank
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 RECOUPEMENT 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