

Oregon Medicaid third party liability (TPL) requirements

Medicaid is always the payer of last resort

State and federal guidelines require:

- Reporting of all TPL sources for medical assistance clients covered by other health insurance; and
- Provider billing of those resources before billing Medicaid.

See Oregon Administrative Rule 410-120-1280 in the [General Rules guidelines](#) to learn more.

Where to find TPL information

All providers must make every reasonable effort to obtain and report TPL information for the clients they serve, and bill TPL before billing Oregon Medicaid (the member's CCO, or Oregon Health Authority for services not covered by the CCO).

- Please check for available TPL sources using OHA's [eligibility verification systems](#). Verify with the member that the TPL shown is still accurate.
- If OHA's TPL information does not match what the member is reporting, report the TPL to ODHS|OHA at www.reportTPL.org.

How to report TPL when billing OHA

Please use the appropriate TPL codes that indicate you billed other resources first, and list the amounts paid.

- For paper claims, use codes in Table 120-1280(1) of the [General Rules](#).
- For electronic claims, use HIPAA-compliant Adjustment Reason Codes.

To learn more about billing TPL, [visit the OHP Billing Tips page](#). This page lists the specific codes to use and the documentation to include with your claims to OHA.

How OHA pays as a secondary payer

For covered services, OHA always pays the lesser of the Medicaid allowable amount or the billed amount, minus what TPL paid.

- **If TPL denies the claim**, OHA will pay the Medicaid allowable amount.
- **If TPL pays, and their allowable is less than OHA's**, then OHA will pay the Medicaid allowable amount, minus the amount TPL paid.
- **If TPL pays, and their allowable is equal to or more than OHA's**, then the claim is paid in full. You will not receive additional payment from OHA.

State law now requires private insurance companies to coordinate pharmacy benefits with Oregon Medicaid. This means if an Oregon Medicaid member has private insurance:

- They must be able use a pharmacy that bills both Oregon Medicaid and private insurance.
- The insurance company cannot tell members to use pharmacies that cannot bill Oregon Medicaid. The company must have network pharmacies that can bill both resources for coordination of benefits.

Medicaid overpayments made to providers

If TPL information is not known at the time of billing, but becomes available after payment is made by OHA:

- The [ODHS|OHA Office of Payment Accuracy and Recovery](#) will seek payment from the new TPL resource, and may request your help.
- If the TPL resource then pays you for services and OHA has already paid you, OHA will consider this an overpayment.

You can get this document in other languages, large print, braille or a format you prefer free of charge. Contact OHP Provider Services at dmap.providerservices@odhsoha.oregon.gov or 800-336-6016. We accept all relay calls.

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