

Donald Ross, Manager  
DMAP Policy and Planning Section

Authorized Signature

Number: DMAP- IM-10-145

Issue Date: 12/10/2010

Topic: Medical Benefits

Subject: Provider announcement: Third-party billing for Behavioral Rehabilitative Services providers

Applies to (check all that apply):

- |  |   |
|--|---|
| <input type="checkbox"/> All DHS employees             | <input type="checkbox"/> County Mental Health Directors   |
| <input type="checkbox"/> Area Agencies on Aging        | <input type="checkbox"/> Seniors and People with Disabilities   |
| <input type="checkbox"/> Children, Adults and Families | <input checked="" type="checkbox"/> Other (please specify): DHS staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists |
| <input type="checkbox"/> County DD Program Managers    |   |

Message:

DMAP will post the following announcement on the OHP Provider Announcements page, e-mail to specific Behavioral Rehabilitative Services (BRS) provider contacts, and distribute via eSubscribe.

The letter explains that starting Feb. 1, 2011, DMAP will deny BRS claims that do not bill the client's third-party resources first.

*If you have any questions about this information, contact:*

<b>Contact(s):</b>	Jean Hutchinson, DMAP Operations and Policy Analyst		
<b>Phone:</b>	503-945-9420	<b>Fax:</b>	503-373-7689
<b>E-mail:</b>	jean.e.hutchinson@state.or.us		



# Oregon

Theodore R. Kulongoski, Governor

## Department of Human Services Division of Medical Assistance Programs

500 Summer St NE, E35

Salem, OR 97301-1077

**Voice (503) 945-5772**

**Fax (503) 373-7689**

**TTY (503) 378-6791**

December 10, 2010

To: Behavioral Rehabilitative Services (BRS) Providers

From: Donald Ross, Manager  
DMAP Policy and Planning Section

Subject: Third-party liability billing and Oregon Medicaid



### **Claim processing changes planned for Feb. 1, 2011**

Beginning Feb. 1, 2011, the Division of Medical Assistance Programs (DMAP) will deny BRS claims when the client's third-party liability (TPL) sources are not billed first. If DMAP's records show that the client has TPL and your claims do not show that you have billed TPL, your claims will deny with a message directing you to bill the client's TPL first.

### **TPL billing requirements**

DMAP requires enrolled providers to bill TPL sources before billing DMAP, as outlined in the BRS provider contracts and Oregon Administrative Rule (OAR) 410-120-1280 in the DMAP [General Rules](#) provider guidelines.

- Medicaid is always the payer of last resort. State and federal guidelines do not provide an exception to billing TPL first for children who are deemed Medicaid-eligible separately from their parents' household.
- An exception to billing TPL may be made for "good cause" for the reasons described in OAR 461-120-0350 (*e.g.*, domestic violence).
- All providers must make every reasonable effort to obtain TPL information for the clients they serve, and bill TPL before billing DMAP. This includes asking the parents of eligible children for TPL information for future billing.
- State or federal Medicaid program integrity audits may require you to refund DMAP any overpayments you received because of not billing the client's TPL.

If information about the client's TPL is not available at the time of billing, but becomes available later, the department's Office of Payment Accuracy and Recovery will attempt to recover TPL payment for the client, and may request your help.

## **Where to find TPL information**

You can check for available TPL sources using the Provider Web Portal Eligibility Information inquiry, the Electronic Data Interchange 270/271 Eligibility Verification Inquiry and Response, and Automated Voice Response eligibility inquiry. To find out how to use these resources, go to DMAP's Eligibility Verification Web page at [www.oregon.gov/DHS/healthplan/tools\\_prov/electronverify.shtml](http://www.oregon.gov/DHS/healthplan/tools_prov/electronverify.shtml).

## **How DMAP pays as a secondary payer**

DMAP always pays the lesser of Medicaid allowable amount or the billed amount, minus what TPL paid.

- If TPL denies the claim, DMAP will pay the Medicaid allowable amount of the claim for the covered services.
- If TPL pays part of the claim, and their allowable is less than DMAP's, then DMAP will pay the Medicaid allowable amount, minus the amount TPL paid.
- If TPL pays part of the claim, and their allowable is equal to or more than DMAP's, then DMAP will consider the claim paid in full and you will not receive additional payment from DMAP.

## **TPL billing reminders**

When billing TPL, you must use the appropriate TPL codes that indicate you billed other resources first, and list the amounts paid. For more information, go to the OHP Billing Tips page at [www.oregon.gov/DHS/healthplan/tools\\_prov/tips/main.shtml](http://www.oregon.gov/DHS/healthplan/tools_prov/tips/main.shtml). This page lists the specific codes to use and documentation to include with your claims to DMAP.

## **Questions?**

If you have questions about this information, please contact one of the following:

- DMAP Provider Services at 800-336-6016 or e-mail [dmap.providerservices@state.or.us](mailto:dmap.providerservices@state.or.us).
- Jean Hutchinson, DMAP Policy Analyst at 503-945-9420 or e-mail [jean.e.hutchinson@state.or.us](mailto:jean.e.hutchinson@state.or.us).

Thank you for your continued support of the Oregon Health Plan.



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Thank you for your continued support of the Oregon Health Plan.