

Understanding Third Party Liability and Strategies for Compliance

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2

Speakers:

Melinda Hollinshead is a Senior Advisor with PCG, and serves as a subject matter expert for health policy, Medicaid and managed care. She holds a PhD in Public Administration and has more than 25 years of health policy and program experience.

Christopher Connor is a Manager at Public Consulting Group and has more than 22 years of experience in all aspects of school-based claiming, reimbursement and consulting. He has had the pleasure of working with state and district clients in more than 35 states.

Valeria Williams is currently a Program Director with South Carolina Department of Health and Human Services. She oversees the Medicaid School Based Services, Enhanced Care, and Private Rehabilitation programs. In her role at Medicaid, Ms. Williams develops policy, and provides project management leadership for major policy implementations.

Objectives

3

1. Understand what Third Party Liability (TPL) means and how state Medicaid agencies approach TPL compliance
2. Identify at least three different models for meeting the TPL requirement
3. Learn how to develop processes to meet TPL requirements

Definition

4

Third Party Liability (TPL) refers to the legal obligation of third parties (e.g., certain individuals, entities, insurers, or programs) to pay part or all of the expenditures for medical assistance furnished under a Medicaid state plan. By law, 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 Medicaid.

Elements of Third Party Liability

5



- ▶ Payer of Last Resort
- ▶ Coordination of Benefits and Payments
- ▶ Cost Avoidance
- ▶ Pay and Chase
- ▶ Managed Care
- ▶ Benefit Exceptions

Third Party Liability (TPL) and School Based Services

6

- ▶ Public programs such as schools that provide access to needed health care are not considered to be legally liable third parties
- ▶ Private insurers are considered legally liable third parties
- ▶ Schools are responsible for assisting the State Medicaid agency to meet federal TPL requirements by complying with the state TPL rules
- ▶ Challenges of identifying students with TPL and their carrier
 - ▶ Data reliability
 - ▶ Portability
 - ▶ Accuracy

Complying with TPL Requirements

7

- ▶ Submitting Every Claim for TPL
 - ▶ What does that mean and what happens to those claims?
- ▶ Yearly Claim Submissions
 - ▶ Tracking and Reporting
- ▶ Statewide Exemptions
 - ▶ CMS approval of a methodology
- ▶ Necessary Information for Blanket Denials
 - ▶ Updating



The South Carolina Experience

8

- ▶ Categorical Exemptions
- ▶ Building Appropriate Edits
- ▶ Accepting TPL Denials and Paying Claims
- ▶ Accumulation of Data

Contact Information

9

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