

May 31, 2016 Third Party Liability Recovery

DIVISION OF THIRD PARTY LIABILITY RECOUPMENT PROJECT TALKING POINTS

- On May 31, 2016 the Department of Human Service's Division of Third Party Liability (TPL) issued a TPL/ Coordination of Benefits (COB) recoupment related to claims that were submitted with claim adjustment reason code of 50 (CARC) "Non-covered".
- TPL is asking medical providers for copies of the explanation of benefits (EOBs) that confirm the commercial insurance coverage listed on the claim(s) didn't cover the service(s) billed.
- The claims in this Recoupment Project cover dates of service 05/01/2013 through 09/17/2015.
- The TPL/COB letter to providers related to this recoupment project includes the following: two (2) copies of the detailed claims listings of the claims being considered for recoupment, instructions for responding to the TPL/COB Recoupment Project, and the deadline date of July 30, 2016 (60 days from the date of the recoupment letter).
- The letter and instructions also explain that after the deadline date, TPL will recoup the funds electronically via a future Remittance Advice (RA). A banner page will accompany the RA to alert the providers of the recoupment. Providers are advised to not send checks, cash or a void request to DHS.
- Providers should forward all EOB(s) to substantiate the reporting of non-covered services by the insurer to TPL at the following address:

Division of Third Party Liability
Health & Medicare Unit
P.O. Box 8486
Harrisburg, Pennsylvania 17105-8486

- If access to claims data may cause a delay in responding, providers are encouraged to contact TPL for an extension.
- Should the provider have questions or require an extension, please send an email to thirdpartyliability@pa.gov.
- Providers who contact the Provider Service Center rather than TPL may experience a delay in receiving a response to their inquiry.

20 May 2016



Date _____

Provider ID _____

Dear Provider:

The Department of Human Services (DHS) conducted a post-payment review of claims paid by the Medical Assistance (MA) program. DHS identified certain claims based upon data indicating that the primary insurer denied charges as non-covered. Specifically, claim adjustment reason code 50 reads: "These are non-covered services because this is not deemed a 'medical necessity' by the payer."

Attached is a list of claims paid by MA that DHS is reviewing. DHS requests a copy of the Explanation of Benefits (EOB) in order to substantiate the denial by the insurer.

Please provide documentation relevant to the claims within sixty (60) days from the date of this letter. If DHS does not receive documentation, the funds will be administratively recovered through DHS's recoupment process. DHS will recoup the dollar amount indicated on the attached list under the column heading "Paid Amount." All recoverable funds will be recouped on a future remittance advice.

If recoupment is not appropriate, please notify DHS's Division of Third Party Liability (TPL) by following the instructions included with this letter. Two (2) copies of the detailed claims listings and instructions are enclosed to ensure all necessary information is supplied to TPL.

Please note that DHS sends these letters to the billing location. It is the letter recipient's responsibility to forward this correspondence to the appropriate department/entity so that it is acted upon immediately. When responding to TPL, you must provide detailed and accurate information as specified in the attached recoupment instructions. If you anticipate a delay or need additional time, you must contact TPL prior to the date noted in the below instructions to request an extension.

Thank you in advance for your cooperation to provide the requested documentation.

Sincerely,

Carole A. Procope, Director
Third Party Liability

THIRD PARTY LIABILITY (TPL) RECOUPMENT PROJECT

INSTRUCTIONS

1. **DO NOT SEND CHECKS, CASH, OR A VOID REQUEST TO DHS.**
DHS will recoup the funds via a future Remittance Advice (RA). A banner page will accompany the RA to alert you to the recoupment.
2. DHS will process the claims adjustment to recover funds for any claim for which a response is not received.
3. Two copies of the TPL Recovery Claims Report have been provided. If you wish to refute the recovery of any claims, retain one copy for your records. Complete and **return the second copy of the Claims Report to TPL at the address below** with the following:
 - A. Explanation of Benefits (EOB) that substantiates the reporting of non-covered services by the insurer; or
 - B. A copy of a Medical Assistance remittance advice on which a prior recoupment is shown for these claims.
 - C. The name and telephone number of a contact person.
4. **To prevent recoupment**, you should immediately:
 - A. Review your records.
 - B. Forward all EOB(s) to substantiate the reporting of non-covered services by the insurer to TPL at the following address by _____.

**Division of Third Party Liability
Health & Medicare Unit
P.O. Box 8486
Harrisburg, Pennsylvania 17105-8486**

7. Medical Assistance Bulletin 99-87-12, issued November 3, 1987, will be enforced for this recovery.
8. Questions may be directed to thirdpartyliability@pa.gov.
9. **PROVIDER/SERVICE LOCATION**
DHS will recover payment of these claims from the Provider Number and Service Location listed on the claims report. If you are no longer billing from this service location or want DHS to recover the payment from another service location, please contact TPL at the email address listed above.