

A L E R T

February 24, 2015

TO: Hospital Providers

RE: Reimbursement Changes for Outpatient Claims with TPL

NOTE: THIS ALERT UPDATES THE ALERT DATED OCTOBER 31, 2014

Effective February 25, 2015, Alabama Medicaid will be changing its reimbursement for outpatient claims that have TPL. Outpatient claims will capture Third Party Liability patient responsibility amounts at the header level or detail level. Providers should submit to Medicaid the “other payer” amount fields as processed by the other insurance payer – at the header or detail level.

In order for claims with TPL to be considered for payment, the patient responsibility must be greater than zero. Patient responsibility is calculated by adding together any co-payments, co-insurance and deductible. Claims that do not contain a patient responsibility will deny with error status code 631 (TPL Patient Responsibility is Zero for Payer).

When calculating payment methodology for claims with TPL primary, Medicaid will pay the lesser of patient responsibility or Medicaid allowed amount minus TPL paid amount for outpatient claims.

If you have any questions, please contact the Provider Assistance Center at 1-800-688-7989.