

## Third Party Liability Regulations

As an administrator of Kentucky Medicaid benefits, Passport Health Plan (PHP) is required to comply with various regulations mandated by the Kentucky Department for Medicaid Services (DMS). This includes regulations regarding third party liability.

Because we are a Kentucky Medicaid plan, Passport Health Plan will always be considered a payor of last resort. Therefore, DMS continuously evaluates whether our members have other insurance, and notifies us when other primary carriers are found. Once we have been notified, Passport Health Plan is required to recover any primary payments.

## What is Passport Health Plan doing to address this issue and assist participating providers?

The Plan strives to offer various methods of member eligibility verification. For example, a PHP PCP panel roster is made available on a monthly basis. Once the member's PHP, Kentucky Medicaid, and picture ID cards have all been verified, this comprehensive list may be used to further verify PHP member eligibility. If the member's name does not appear on this roster, providers may check eligibility on the Provider Center of our web site, [www.passporthealthplan.com](http://www.passporthealthplan.com), or by calling our interactive voice response (IVR) system at (800) 578-0775, option 1.

In addition, we are implementing a new process to address our obligations to DMS policy. We believe this process will streamline your billing efforts.

## What does this new process mean to participating providers?

Effective immediately, PHP will initiate recovery activities within 60 days of receiving TPL information from DMS as follows:

- A letter of notification will be sent to affected providers
- Providers will have **60 days** to dispute recovery
- After **60 days**, the listed claim(s) will be reversed and recovery will occur from future payments – therefore, providers will be asked to not send a check

## What happens if a provider has evidence that the member did not have other insurance for the specific date(s) of service?

Providers who find evidence the member did not have other insurance at the time of service may contact our recovery department directly. (Please refer to your original request letter for contact information.) Passport Health Plan records will then be updated and recovery efforts will not occur.

## **What happens if a provider finds there was a third party carrier for the date(s) of service?**

If a third party carrier is identified as the primary insurer:

- The provider must file and obtain a Remittance Advice for the specific claim(s) from the primary carrier.
- Secondary claims must be filed as corrected claims with PHP for coordination of benefits.

Please note:

- Corrected claims contain new information and must be processed through the corrected claim procedure.
- The words “corrected claim” must be placed on the front of the document so the claim can be coordinated outside the timely filing timeframe.
- Corrected claims must be mailed to:  
Passport Health Plan  
Claims Unit  
P.O. Box 7114  
London, KY 40742

PHP is not permitted to consider an original timely filing denial by the primary insurer as a “final denial”. In these instances, providers will need to appeal the denial with the primary insurer by attaching a copy of the PHP recovery letter. The letter will serve as evidence they have just been notified of the other carrier liability. Insurance carriers may overturn their denial based on this evidence.

In addition, please note that Early, Periodic, Screening, Diagnosis and Treatment (EPSDT) claims are not coordinated with other primary payors.

## **For More Information**

As always, we are happy to assist with any questions or concerns you have regarding third party liability. Please call the PHP Provider Claims Service Unit (PCSU) at (800) 578-0775 for assistance.