



STATE OF MICHIGAN

DEPARTMENT OF COMMUNITY HEALTH
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

JANET OLSZEWSKI
DIRECTOR

November 7, 2008

Dear Pharmacy Provider,

This letter transmits information to Pharmacy providers who received inappropriate payments from the Michigan Department of Community Health (MDCH) Pharmacy Benefits Manager (PBM) as a result of claim(s) not being submitted to a beneficiary's other insurance.

Voiding Third Party Liability Claim

Claims that are billed to MDCH as the primary insurer instead of the beneficiary's active other insurance will be voided. Through post-payment review, the MDCH Third Liability Party (TPL) Division reviews the claims of beneficiaries with other insurance for appropriateness of payment.

Once the paid claim(s) has been voided by the MDCH TPL Division, the Pharmacy provider can submit the claim to the beneficiary's other insurance. The claims will be identified on the remittance advice with remark code: "MA04 - Secondary payment cannot be considered without the identity of or payment information from the primary payer. The information was either not reported or the beneficiary was ineligible." After the other insurance has made a payment on the claim, the pharmacy provider can resubmit the claim to the MDCH PBM for the payment of the beneficiary's liability (i.e., co-insurance, co-payment or deductible) up to the MDCH fee screen. If the claim resubmission exceeds the timely filing limit, an override may be requested by calling the MDCH PBM Technical Call Center toll-free at 1-877-624-5204.

For information on billing coordination of benefits (COB) claims, refer to the Pharmacy Claims Processing Manual for the Michigan Department of Community Health which is available online at www.michigan.fhsc.com >> Providers >> Manuals

Verifying and Billing Other Insurance Coverage

The provider is responsible for verifying a beneficiary's other insurance coverage. It is the provider's responsibility to submit the claim(s) to the other insurance for consideration of payment. After billing the other insurance, providers can submit the claim(s) to the MDCH PBM for payment of the beneficiary's liability using the correct Other Coverage Code.

For more information on coordination of benefits, please refer to the Coordination of Benefits Chapter in the Michigan Medicaid Provider Manual. The Manual is available online at www.michigan.gov/medicaidproviders >> Policy and Forms >> Medicaid Provider Manual.

Reporting a Change in Insurance

Guidelines on reporting third party liability/other insurance changes are attached to this letter. This document is also available on the MDCH PBM website at www.michigan.fhsc.com >> Providers >> Bulletins >> How to Report TPL/Other Insurance Changes

If you have questions regarding this letter, submit them via fax to the Pharmacy Analyst, Third Party Liability Division at 517-335-9422 with "Pharmacy Void" as the subject.

Sincerely,

Tanya Lowers, Director
Third Party Liability Division

Attachment



Michigan Department of Community Health
Medical Services Administration

How to Report TPL/Other Insurance Changes

Michigan Department of Community Health (MDCH) Third Party Liability (TPL) staff are required to validate the accuracy of other insurance changes prior to updating the system. This sometimes requires additional follow-up with the insurance carriers involved. Resolution normally takes 24-48 hours. **NOTE: The MDCH TPL staff are only available Monday-Friday, 8:00 a.m. – 5:00 p.m.** Changes are transmitted to the MDCH Pharmacy Benefits Manager (PBM), First Health Services Corporation, on a weekly basis (Sunday nights).

Pharmacies

Providers have three methods for reporting TPL/Other Insurance changes:

1. E-mail the Third Party Liability Division at tpl_health@michigan.gov.
2. Phone the MDCH Provider Hotline (1-800-292-2550) and select option 4 to route your call to the TPL staff.
3. Fax a request and supportive documentation to the Third Party Liability Division at 517-346-9817.

NOTE: E-mail all urgent requests and include '**URGENT**' in the Subject line. Also include information in the body of the e-mail describing the urgency of the request. It may still take 24 hours or more to validate the other insurance change and update the system accordingly (particularly weekends and after the regular work hours noted above).

Beneficiaries

Beneficiaries should contact the MDCH Beneficiary Helpline at 1-800-642-3195 to report other insurance changes.