

## Michigan Department of Community Health

**Bulletin Number:** MSA 09-26

**Distribution:** Nursing Facilities, County Medical Care Facilities, Hospital Long-Term Care Units, Hospital Swing Beds, Ventilator Dependent Units

**Issued:** June 1, 2009

**Subject:** Medicaid Processing and Payment of Nursing Facility Claims for Co-Insurance Days for Beneficiaries with Medicare Advantage Plan Coverage

**Effective:** As Indicated

**Programs Affected:** Medicaid

The purpose of this bulletin is to notify nursing facilities of a change in the processing and payment of nursing facility claims for beneficiaries with Medicare Advantage Plan coverage. This change will assure that Michigan Medicaid is not overpaying claims for beneficiaries that have Medicare Advantage Plan coverage.

Effective with the implementation of the Community Health Automated Medicaid Processing System (CHAMPS), Medicaid will "suspend" for review, nursing facility claims if the beneficiary has Medicare Advantage Plan (Part C) coverage. These claims will suspend on the Reason/Remark Code 1277 – Beneficiary is enrolled in a Medicare Modernization Act (MMA) plan. Once reviewed for specific coverage limits, the claims will be processed for payment. Medicaid's payment liability for Medicare Advantage Plan co-insurance days will be based on the **lesser** of the Medicare Advantage Plan co-insurance rate, or the Medicare fee-for-service fixed co-insurance rate.

Medicaid payment of these claims is consistent with current Medicaid policy published in the Medicaid Provider Manual, Coordination of Benefits Chapter, Section 2.6.B. Medicare Part A – "For Medicare Part A and Part B/Medicaid claims, Medicaid's liability never exceeds that of the beneficiary."

### Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

### Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

### Approved



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Medical Services Administration