

Michigan Department of Community Health

Bulletin Number: MSA 12-36

Distribution: All Providers

Issued: August 31, 2012

Subject: Long-Term Care Insurance Policies

Effective: October 1, 2012

Programs Affected: Medicaid

The purpose of this bulletin is to remind providers that federal regulations require all identifiable resources be utilized prior to expenditure of Medicaid funds for most health care services provided to Medicaid beneficiaries. Medicaid is considered the payer of last resort. If a Medicaid beneficiary has long-term care (LTC) insurance, it is recognized as another resource and must be billed prior to billing Medicaid.

In the event the provider is aware that a beneficiary has another resource (including LTC insurance) but the resource is not reflected on the mihealth card or the Community Health Automated Medicaid Processing System (CHAMPS) eligibility inquiry, the provider must complete the Request to Add, Terminate or Change Other Insurance (form DCH-0078). A copy of the form and additional instructions can be found online at www.michigan.gov/medicaidproviders >> Policy and Forms >> Forms. The form should be submitted before billing Medicaid. If known, include the policy's per diem payment amount in the comments section of the form. Medicaid Third Party Liability (TPL) will verify the information provided and update the beneficiary's CHAMPS eligibility information accordingly. The provider should bill the other resource first. Once payment has been received, the provider may bill Medicaid. The Medicaid claim must include the payment amount received from the other resource.

NOTE: Insurance companies, including LTC insurance companies, should not submit checks directly to Michigan Medicaid. Rather, providers must work directly with the insurance company or the beneficiary to obtain the insurance payment. If the insurance company pays the beneficiary directly, it is the provider's responsibility to obtain the payment from the beneficiary; if the policyholder is someone other than the beneficiary it is the provider's responsibility to obtain the payment from the policyholder.

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-mailed to 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



Stephen Fitton, Director
Medical Services Administration