

Bulletin Number: MSA 13-43

Distribution: All Providers

Issued: November 26, 2013

Subject: Claim Void Process, Subrogation Process and Billing Beneficiaries

Effective: January 1, 2014

Programs Affected: Medicaid

This bulletin provides information about the Michigan Department of Community Health's (MDCH) claim void process and subrogation process, as well as a reminder that providers must comply with Medicaid policy regarding appropriately billing Medicaid beneficiaries.

Medicaid Claim Void Process

MDCH will send a Pending Claim Void notice via mail and the Archived Documents repository within the Community Health Automated Medicaid Processing System (CHAMPS) when it is determined that a provider did not hold another resource liable for payment after Medicaid adjudicated the claim. If the claim was lacking information about the existence of another resource, the provider must resubmit the claim in CHAMPS as an adjustment and include the proper Claim Adjustment Reason Code within 30 days of the date provided on the Pending Claim Void notice. MDCH will automatically void the claim after the 30 days if no adjustment is made. The provider will then have to bill the identified resource for the claim. It is the provider's responsibility to remediate with the primary payer prior to rebilling Medicaid for the claim.

Medicaid Subrogation Process

As a condition of Medicaid eligibility, beneficiaries must assign MDCH the right to seek recovery of other resource payments made on their behalf. If MDCH identifies another resource for a paid claim, a bill will be generated to the other resource within the appropriate timely filing guideline. The other resource will reimburse Medicaid directly or reject the paid claim. MDCH will review other resource rejections to determine if the rejection is appropriate or if the provider can resubmit the claim to the other resource for reimbursement.

Billing Beneficiaries

Condition 6 of the Terms and Conditions contained in the Medicaid Assistance Provider Enrollment and Trading Partner Agreement states providers must read and comply with the policies contained within the Medicaid Provider Manual. Providers are required to abide by this agreement for the duration of their enrollment in the Medicaid Program.

Providers are reminded that the General Information for Providers chapter of the Medicaid Provider Manual provides information regarding when providers are prohibited from billing Medicaid beneficiaries. Failure to comply with this requirement is considered grounds for termination or refusal to renew the provider's participation in the Medicaid Program.

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. 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
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