APPENDIX H

COORDINATION OF BENEFITS REQUIREMENTS

The following describes the activities and requirements for ensuring that all eligible Enrollees are appropriately enrolled into the Contractor's Plan.

The Contractor shall designate a Third Party Liability (TPL) Benefit Coordinator who shall serve as a contact person for Benefit Coordination issues related to this Contract. The Benefit Coordinator will be responsible for meeting with EOHHS when deemed necessary by EOHHS's Benefit Coordination and Recovery Unit.

I. Third Party Health Insurance Identification and Cost Avoidance

The Contractor shall develop procedures and train its staff to ensure that Enrollees who have other insurance are either (1) not enrolled into the Contractor's Plan if third party health insurance is identified and verified prior to enrollment, or (2) disenrolled by EOHHS upon third party health insurance verification post enrollment. The three possible types of third party health insurance are Commonwealth Care, the Contractor's own commercial product or a third party commercial health insurance product. When directed by EOHHS, the Contractor shall include on the Daily Inbound Demographic Change file, or on the TPL Indicator form until the Daily Inbound Demographic Change file is implemented, Enrollees who, after enrollment, are found to have other active health insurance coverage.

Once an Enrollee is identified as having other health insurance, the Contractor must cost avoid claims for which another insurer may be liable, except in the case of prenatal and EPSDT services per 42 USC 1396a(a)(25)(E) and 42 CFR 433.139.

If the Enrollee is found to be enrolled in the Contractor's commercial plan or Commonwealth Care, as applicable, the Enrollee's information shall be sent to EOHHS or its designee. Upon receipt of the information, if Commonwealth Care is the other health insurance, EOHHS shall disenroll the Enrollee from the Contractor's Plan effective the date the third party health insurance is verified and entered into MMIS. If the Contractor's commercial health insurance product is the other insurance, EOHHS shall disenroll the Enrollee from the Contractor's Plan effective the "TPL effective date" in MMIS.

The Contractor shall identify and communicate with EOHHS or its designee the existence of other health insurance through the following methods and procedures:

A. The Contractor shall report suspected TPL on the daily Inbound Demographic Change file after the daily Inbound Demographic Change file is implemented, or on the TPL Indicator form provided by EOHHS and sent to EOHHS's TPL Unit prior to implementation.

B. The Contractor shall require their Providers to send any other health insurance information found about its Enrollees to the Contractor.

C. The Contractor shall provide a TPL Indicator form, approved by EOHHS, to their Providers for use in communicating to the Contractor the liable third party insurance information for their Enrollees. This form may be distributed at network trainings performed by the Contractor.

D. The Contractor shall review claims data received from their Providers for indications of other liable insurance coverage. The Contractor shall send the other health insurance information to EOHHS or its designee.

II. Third Party Health Insurance Recovery

A. The Contractor shall implement procedures to (1) determine if a potential Enrollee has other health insurance and (2) identify other health insurance that may be obtained by an Enrollee using, at a minimum, the following sources:

1. The HIPAA 834 Outbound Daily file ;
2. Claims Activity;
3. Point of Service Investigation (Customer Service, Member Services and Utilization Management); and
4. Any TPL information self reported by an Enrollee.

B. At a minimum, such procedures shall include:

1. Performing a data match against the Contractor's subscriber/member list for any other product line it offers and providing this information to EOHHS or its designee; and
2. Reviewing claims for indications that other insurance may be active (e.g. explanation of benefit attachments or third party payment).

C. If a claim is processed for payment and it is later determined that another carrier should have been the primary payer, the Contractor shall give the Provider the other insurance information the Contractor obtained through data matching Enrollees. The Contractor shall work with the Provider to ensure that this information is used for any further billing of claims for said Enrollee. In addition, the Contractor shall pursue recoveries for previously paid claims by sending an EOHHS approved notice of overpayment to the Provider.

D. The Contractor may recover overpayments, for dates of service not to exceed twenty-four (24) months, only after giving the Provider proper notice, including information regarding the third party carrier, and 45 calendar days to identify and address allegations in the overpayment notice with which the Provider disagrees.

E. The Contractor shall proceed with recouping overpayment for the amount paid to the Provider unless acceptable documentation (e.g., an Explanation of Payments (EOP) statement, denial from the other insurer, etc.) proving that these payments should not be recouped is received from the Provider **within forty-five calendar days** of the date of the notice of overpayment.

F. For claims that the Provider does not respond to, the Contractor may retract claims and recover overpayments 60 calendar days from the date of the notice

III. Reporting

The Contractor shall develop, at a minimum, the report identified in **Appendix A**. The Contractor shall meet with EOHHS to clarify the content of the semi-annual report listed below:

A. Health Insurance Referrals – the number of members identified as having TPL on the HIPAA 834 Outbound Full file.

B. Cost avoidance – Claims that were denied due to the existence of another health insurance plan on a monthly and semi-annual basis. The dollar amount per Member that was cost avoided on the denied claim.

C. Recovery – Claims that were initially paid but then later recovered by the Contractor as a result of identifying coverage under another health insurance plan. The dollar amount recovered per Member from the other liable insurance carrier or Provider.

IV. Accident and Third Party Liability Identification and Recovery

A. Identification

1. Claims Editing

The Contractor shall have claims editing and reporting procedures in place to identify potential accident and casualty cases, including but not limited to the following:

Screening Diagnosis Codes for Trauma. The Contractor shall identify Enrollees who are suspected of having suffered an injury as a result of an accident or other loss. Enrollees' names are pulled from the claims system using an automated system of selection and retrieval. The selection criterion is based on a predetermined diagnosis code range of all claims sent to the Contractor. The Contractor shall verify that an accident occurred either by contacting the Enrollee or by using an information data warehouse.

2. Sharing of TPL Information/Accident Referrals

   If the Contractor receives claims information from their Providers indicating that certain medical services are being provided as a result of an accident or other loss, the Contractor shall require their Providers to furnish all necessary information that will allow the Contractor to pursue the Accident/Recovery or Cost Avoidance.

B. Accident/Casualty Recovery and Cost Avoidance of Claims

The Contractor shall perform the following activities to recover or cost-avoid claims where an Enrollee has been involved in an accident or lawsuit.

1. Cost-Avoidance

   The Contractor shall have the following processes in place to cost avoid claims, except in the case of prenatal and EPSDT services where the Contractor shall pay and recover later per 42 USC 1396a(a)(25)(E) and 42 CFR 433.139.

   a. On all automobile cases, providing the Enrollee cooperates with the Contractor and signs the necessary paperwork, the Contractor shall process accident claims for payment and submit insurance claims to the no-fault carrier for the $8,000 PIP (personal injury protection) benefit. If possible, cases involving PIP should be cost avoided up front. After the $8,000 is exhausted, the Contractor becomes the primary payer for any future services, unless there is other third party insurance available.

   b. Claims are denied for Enrollees who do not provide the Contractor with the necessary automobile information when it has been noted that an Enrollee has been involved in an automobile accident.

   c. On all workers' compensation cases, the Contractor shall contact the employer to verify that an injury is work related, and also contact the worker's compensation carrier to determine whether the case has been accepted. All claim information is then entered into the system. If liability has been established, then the Contractor retracts all claims that relate to the accident and sends a letter to the Provider detailing the claims being retracted and whom to bill. If the case has not been accepted, then the Contractor takes appropriate steps to lien the case if necessary.

   d. Any referral entered into the system that may be trauma related is flagged in a way that prompts the Claims department to pend the claim to the Recovery Department for review.

2. Recovery

   If the Enrollee cooperates and supplies the Contractor with the necessary information, subrogation claims are processed for payment and a lien is filed on the case.

   a. If the accident is work related:

      Upon discovery that the worker's compensation case is not an accepted case, meaning that liability has not been established, and given that the Enrollee cooperates and supplies the Contractor with the necessary information, subrogation claims are processed for payment and a lien is filed on the case.

   b. Other accidents or losses (i.e., general liability, medical malpractice, etc.):

      If the Enrollee cooperates and supplies the Contractor with the necessary information, subrogation claims are processed for payment and a lien is placed on the case.

3. Reporting

   On a semi-annual basis, the Contractor shall provide EOHHS with an ongoing status report on all Enrollees identified as having had an accident or other loss. The report shall include the following information for each Enrollee who has been identified as receiving medical services as the result of an accident, injury, or has filed a lawsuit related to an accident or injury.

   a. General Information

      (1) Enrollee name;
      (2) Enrollee's MassHealth or SSN number;
      (3) Date of referral to EOHHS;
      (4) Date of accident;
      (5) Type of accident; and
      (6) Status (i.e., lien, cost avoided)

   b. Cost Avoidance: amount cost avoided (i.e. PIP payments)

   c. Recovery

      (1) Recovery Source
      (2) Amount of lien;
      (3) Amount of settlement (if available);
      (4) Amount collected (if available); and
      (5) Amount compromised.

See **Appendix A** for a sample of the required report to be sent to EOHHS.

4. EOHHS Recovery

   In the event that the Contractor fails to make a subrogation claim and place a lien on the case, EOHHS, through the Massachusetts Department of Revenue's Payment Intercept Program (PIP), shall recover costs related to the Enrollee's care per M.G.L. c. 175 §24D and §24E.

V. TPL Recoveries Factored into Capitation Rate Development

EOHHS expects the Contractor to recover claims paid to its Providers where the other insurer was primary. EOHHS will factor TPL recoveries into the annual capitation rate development process.