



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Office of Medicaid
www.mass.gov/masshealth

All Provider Bulletin 402

DATE: April 2025

TO: All Providers Participating in MassHealth

FROM: Mike Levine, Assistant Secretary for MassHealth

RE: Third-Party Liability Billing Requirements for Health Reimbursement Arrangements and Similar Instruments

Background

Providers must make diligent efforts to obtain payment from employer-funded health insurance contribution instruments such as health reimbursement arrangements (HRAs) and similar instruments before billing MassHealth, in accordance with MassHealth regulations at [130 CMR 450.316: Third-party Liability: Requirements](#).

Some instruments issue payments directly to the provider along with an adjusted health plan explanation of benefits (EOB). Payments from these instruments may not be reflected on an initial EOB from a carrier. In these instances, submitting a claim to MassHealth based on the initial EOB could result in an incorrect secondary payment to the provider from MassHealth. If a provider receives an adjusted EOB from a health plan because of payments from a health insurance contribution instrument, the provider must immediately resubmit any applicable adjusted claims to MassHealth to prevent duplicate payments.

Similarly, there may be instances where MassHealth makes a payment on a claim, and a health insurance contribution instrument later makes a duplicate payment on that claim. If a provider receives a duplicate claim payment from the instrument, the MassHealth portion of the payment must be returned to MassHealth.

Diligent Efforts

Per MassHealth third-party liability (TPL) regulations, providers must make “diligent efforts” to identify and obtain payment from all other liable parties. Diligent efforts include, but are not limited to, the following.

- Determining the existence of health insurance, including employer-funded health insurance contribution instruments like HRAs and similar instruments, by asking the member if they have other insurance.
- Returning any payment received from MassHealth after any available third-party resource has been identified. The provider must bill all available third-party resources before resubmitting a claim to MassHealth.

If a provider fails to pay the full amount owed, MassHealth reserves the right to recoup payments under [130 CMR 450.260\(A\)](#): *Provider Liability*.

MassHealth Website

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Questions?

If you have questions about the information in this bulletin, please contact:

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