



State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

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TO: Physicians, Nurse Practitioners, Clinical Nurse Specialists, Independent Clinics and Federally Qualified Health Centers (FQHCs) – **For Action**
Health Maintenance Organizations – **For Information Only**

SUBJECT: (1) Reporting of “Patient Responsibility Amount” on EPSDT Claim Forms
(2) Clarification of Medicaid/NJ FamilyCare Cost Sharing Responsibilities for Claims Eligible for Medicare or Other Insurance Payments

EFFECTIVE: Immediately

PURPOSE: To notify providers of professional services of (1) a change in billing procedures for reporting the “patient responsibility amount” on the Early Periodic Screening, Diagnosis and Treatment (EPSDT) claim form; and (2) a change to Medicaid/New Jersey FamilyCare (NJFC) cost sharing responsibilities for beneficiaries receiving healthcare benefits from Medicare HMO or other insurance.

BACKGROUND: The Medicaid Newsletter Volume 11, Number 47, dated June 2001, instructed providers regarding the reporting of “cost sharing copayment charges” for beneficiaries eligible to receive healthcare benefits under Medicare or other insurance plans. Providers were instructed to report (1) the term “copayment” on the claim; (2) the copayment amount in the “Charge” field; (3) the insurance carrier code; and (4) the “Explanation of Benefits.” Medicaid/New Jersey FamilyCare assumes cost sharing responsibilities for beneficiaries receiving healthcare benefits from Medicare HMO or other insurance. Copayments, co-insurance and/or deductibles are recognized as “patient responsibility amounts.”

ACTION:

Effective immediately, providers of EPSDT-covered services are required to report the “patient responsibility amount” in Block 27 on the MC-19 or EPSDT claim form.

- Please note that **Block 27 on the Web** has been renamed to read “Patient Responsibility Amount.” On the MC-19 claim form, providers must also report the “patient responsibility amount” in Block 27. However, the description for Block 27 on the MC-19 claim form may continue to read “GSHP Referral No.” The MC-19 claim form is being revised to assign a new description to this Field.

Important Reminders

- Providers should continue to report the “Other Insurance Payment” in Block 17 on the MC-19 claim form.
- Providers should no longer report the “patient responsibility amount” as their “claim charge.” Providers are required to report their usual and customary charge to the general public in the “Charge” field.
- In addition to reporting the “patient responsibility amount, an “Explanation of Benefits” from the other insurance must be attached to the paper claim. Claims with a “patient responsibility amount” may also be submitted via the WEB.
- Providers should no longer report the term “copayment” on the claim form.
- Providers should continue to report the appropriate Insurance Carrier Code on the claim form. Billing an incorrect carrier code may deny payments.

Medicaid/NJ FamilyCare cost sharing responsibilities for healthcare claims paid by Medicare HMO or other insurance **shall not exceed the lower of** (1) the Medicaid/NJ FamilyCare Payment Amount less any payments from Medicare HMO or other insurance; or (2) the patient responsibility amount calculated by Medicare HMO or the other insurer up to Medicaid allowable payment.

It is important to note that the claim form submitted to other insurance for payment may include multiple service lines. Each service line is considered a “claim.” In those instances where the other insurance reports an aggregate payment amount for all approved services, the State will continue to “spend down” the aggregate insurance payment and determine that portion of the patient responsibility amount to be paid by the State for each of the service lines reported in the claim form.

In situations where other insurance payments and/or the patient responsibility amount exceed the State’s payment responsibility for the claim form, one or more claims billed on the claim form will be paid at “zero.”

If changes to the insurance information on file with the State of New Jersey are required, the provider or beneficiary may contact the Office of the State Comptroller, Medicaid Fraud Division, Third Party Liability (TPL) Unit at (609) 826-4702 or (609) 826-4840. Also, hearing-impaired individuals may contact the TPL Unit by calling (609) 777-2753.

If you have any questions regarding this Newsletter, please contact Molina Medicaid Solutions (formerly Unisys) Provider Services at 1-800-776-6334.

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