



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

# NEWSLETTER

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**TO:** All Providers – **For Action**  
Managed Care Organizations – **For Information Only**

**SUBJECT:** (1) **Third Party Liability (TPL) Payments and Family Planning**  
(2) **Family Planning/Condition Code Fields and TPL**

**EFFECTIVE:** Claims submitted on or after August 5, 2019

**PURPOSE:** To notify family planning providers of a policy change regarding TPL payment responsibilities and to clarify the claims processing guidelines to enforce NJ FamilyCare (NJFC) Medicaid TPL policy

**BACKGROUND:** In accordance with the New Jersey Administrative Code (N.J.A.C.) 10:49-7.3, NJFC Medicaid benefits are “last payment benefits.” All TPL coverage opportunities must be used first and to the fullest extent in meeting the cost of the medical needs of the NJFC Medicaid beneficiary. If, at the time a provider’s claim is filed, either the existence of TPL cannot be established or TPL benefits are not available to pay the beneficiary’s medical expenses, then the Division will pay the full amount allowed under its payment schedule and seek post-payment recovery in accordance with 42 CFR 433.139(c), (d)(2) and (d)(3).

The NJFC Medicaid program will supplement the amount paid by a third party, but the combined total paid to the provider shall not exceed the total amount payable under the program in the absence of any TPL.

**ACTION:**

**(1) Family Planning TPL Responsibilities**

**Effective for claims submitted on or after August 5, 2019,** family planning providers must request payment from other insurers, including Medicare, prior to submitting family planning claims to the NJFC Medicaid program. Family planning providers are encouraged to review the NJFC Medicaid policy regarding other insurance found at N.J.A.C. 10:49-7.3 and/or go to <https://www.nj.gov/comptroller/divisions/medicaid/faqs/>.

In order to determine which third party carrier the State has on file, providers should access the electronic eligibility verification system (REVS, eMEVS or MEVS). Also, in order to report changes or discrepancies in a beneficiary’s insurance coverage, providers should contact the Third Party Liability Unit, Office of the State Comptroller, at 609-777-2753 or 609-826-4702.

When other insurance is on file with the State that may potentially provide primary insurance coverage for a NJFC Medicaid-covered service, claim payments shall be denied unless the other insurance payment or proof of a denial by other insurance is reported or attached to the claim.

## **(2) Family Planning/Condition Code Fields and TPL**

**Effective for claims submitted on or after August 5, 2019,** for claims that previously had been paid without regard to TPL, some providers may now experience denied payments for claims due to the TPL information being on file with the NJFC Medicaid program. A recent review of the claims system determined that some providers routinely reported a value of 'Y' in Family Planning data element (SV112) on professional claims or in the Condition Code Field (HI01-2 or subsequent iterations of Condition Code on the Condition Code segment) on institutional claims resulting in the system disregarding TPL information on file. Clarification of existing guidelines is provided below. The claims system was modified to ensure that NJFC Medicaid is always the payer of last resort.

For 837 Professional claims, if the service submitted on a line item is considered Family Planning, submit the value 'Y' in the 2400 (line level) loop SV112 data element.

**If the service is not considered Family Planning, do not submit the SV112 data element. Any value in the SV112 data element other than 'Y' will cause the 837 file to be rejected, per the TR3 validation rules for this data element.**

Please be aware that submitters may have to terminate the SV1 segment after the last populated data element in order to not have a segment with trailing data element delimiters, which also will cause the 837 file to be rejected.

For 837 Institutional claims, if any service submitted on the entire claim is considered Family Planning, the Condition Code value 'A4' must be submitted within the allowable number of condition codes, which varies for Fee-for-Service versus Encounters.

**If there are not any Family Planning services on the claim, do not submit the 'A4' Family Planning Condition Code.**

If you have any questions concerning this Newsletter, please contact DXC Technology Provider Services at 1-800-776-6334.

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