Automated Medical Payments

Medicaid Bulletin

Colorado Title XIX

Fiscal Agent
CONSULTEC
600 Seventeenth Street
Suite 600 North
Denver, CO 80202

Medicaid Provider Services

303-534-0146
1-800-237-0757

Mailing Addresses

Claims & PARs
P.O. Box 30
Denver, CO 80201-0030

Correspondence, Inquiries & Adjustments
P.O Box 90
Denver, CO 80201-0090

Provider enrollment, Provider information, Changes, Signature authorization, and Claim requisitions
P.O. Box 1100
Denver, CO 80201-1100

Medicaid Fiscal Agent Information on the Internet

WWW.CONSULTEC-GCRO.COM

Medicaid bulletins contain important policy and billing information and should be shared promptly with billing staff.

Bulletins supplement information in the Medicaid Provider Manual and should be retained with the provider manual for reference. Retain all bulletins until published notification advises that the information is obsolete or reproduced in subsequent bulletins or provider manual updates.

Please direct questions about bulletins and billing information to Medicaid Provider Services.

Distribution: All providers **April 2000**
Reference: B0000061

"Intent to Retract" letters for Medicaid/Medicare clients

Since December 1997, the manual process of Medicaid billing Medicare (the primary payer) directly to recover Medicaid payments for clients with Medicare coverage has been inactive. These claims did not reflect Medicare as the primary payer. When Medicaid stopped manually billing Medicare to recover payments, it became the provider's responsibility to submit claims for Medicaid/Medicare clients to Medicare *prior* to submitting them to Medicaid.

Effective May 2000, the recovery process will be re-activated. The Medicaid system will identify those claims that did not reflect Medicare as the primary payer for Medicaid clients with Medicare coverage. Providers will be sent an Intent To Retract (ITR) letter which will identify the claim(s) and all necessary information for the provider to submit the claim(s) to Medicare. Providers are responsible for recreating and submitting the claims to Medicare.

During the week of May 22, 2000, Medicaid will begin sending the ITR letters. Initially the letters will cover a backlog of claims with dates of service from January 1, 1999 to May 20, 2000. Thereafter, ITR letters will automatically be generated monthly.

The ITR process allows providers to submit required Medicare payment and denial information without having the claim recovered. Unless the provider takes further action, the Medicaid payment is automatically retracted (recovered) 120 days after the date of the letter. The recovery amount will appear on the provider's Remittance Statement as Accounts Receivable (A/R) and will be deducted from future claim payments.

- ✓ If Medicare denies payment *before* the recovery is processed, providers can stop the recovery by sending a copy of Medicare's denial *and* a copy of the Medicaid ITR letter to: Consultec
  P.O. Box 3100 ◆ Denver, Colorado 80202
- ✓ If Medicare pays the claim, but pays less than the allowed Medicaid benefit *before* the recovery is processed, send a copy of the Medicare EOMB, a copy of the remittance statement showing the recovered payment *and* a copy of the Medicaid ITR letter. The claim will be adjusted to show the Medicare payment. If the Medicare payment is the same or more than the Medical allowed benefit, Medicaid makes no additional payment.
- ✓ If Medicare denies or pays less than the Medicaid allowed amount *after* the recovery is processed, rebill the claim with a copy of the Medicare EOMB, a copy of the remittance statement showing the recovered payment *and* a copy of the Medicaid ITR letter.

Reminder: If Medicare denies the services (Medicare non-benefit services, benefits exhausted services, or the client does not have Medicare coverage) and the initial timely filing period has expired, the provider must rebill the fiscal agent within (60) days of the date shown on the Medicare EOB or RS. Enter the Medicare processing date for the Late Bill Override Date (LBOD) on the claim. Providers rebilling electronically should refer to the WINASAP manual for Medicare denial and timely filing billing instructions.

If Medicaid clients have private health insurance coverage, including Medicare, federal regulations require that all available health insurance benefits be pursued before Medicaid considers payment. Medicaid is always the payer of last resort.

Note: This retraction process does not affect the procedure already in place for DME providers supplying wheelchairs and wheelchair accessories to the dually eligible client. DME providers who receive ITR letters for wheelchair charges, should contact the fiscal agent at the number listed below to stop the recovery. Per Department rule at 8.594.01(B) and 8.594.02(A), Medicaid will be the primary payer and will seek appropriate reimbursement from Medicare.

Prescription drug claims are not affected by this retraction process.

If you have any questions about this process, please contact:
Medicaid Third Party Liability Unit