



Automated Medical Payments

# Medicaid Bulletin

## Colorado Title XIX

Fiscal Agent

**CONSULTEC**

600 Seventeenth Street  
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### 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

[coloradomedicaid.consultec-inc.com](http://coloradomedicaid.consultec-inc.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 Retain all bulletins until published notification advises that the information is obsolete or reproduced in subsequent bulletins or provider manual updates.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      **December 2000**  
**Reference: B0000085**

## Medicaid Clients and Copayments

Medicaid clients are only responsible for the Medicaid copayment for all provider services. Clients with Medicare, or commercial insurance cannot be billed for the difference between the provider's charges and the Medicare and/or the commercial insurance payment. The difference between the provider's charge and payment from other resources should be billed to Medicaid, not to the client. Billing the client for the difference violates state law at CSR §26-4-403, which states:

**26-4-403. Recoveries - overpayments - penalties - interest - adjustments - liens.** (1) (a) (I) Except as provided in section 26-4-403.3 and subparagraph (III) of this paragraph (a), no recipient or estate of the recipient shall be liable for the cost or the cost remaining after payment by Medicaid, Medicare, or a private insurer of medical benefits authorized by Title XIX of the social security act, by this title, or by rules promulgated by the medical services board, which benefits are rendered to the recipient by a provider of medical services authorized to render such service in the state of Colorado, except those contributions required pursuant to section 26-4-518 (1).

(II) The provisions of subparagraph (I) of this paragraph (a) shall apply regardless of whether Medicaid has actually reimbursed the provider and regardless of whether the provider is enrolled in the Colorado medical assistance program.

### Commercial insurance

Providers must report commercial insurance payment and denial information on the claim form.

- Paper claim forms have designated fields for reporting third party payments and denials.
- Electronic claim formats have designated fields for reporting commercial health insurance coverage.

When billing the difference to the Medicaid program, the provider should bill their usual and customary charge. Enter the commercial insurance payment in the Third Party field. The difference (Net Charge) should equal the unpaid balance plus any copay amount.

### Commercial Insurance Example

20. TOTAL CHARGES	100.00	LESS	24. MEDICARE COB DATE	
			21. MEDICARE PAID	
			22. THIRD PARTY PAID	90.00
			23. NET CHARGE	10.00
			25. MEDICARE CONSURANCE	
			26. MEDICARE DISALLOWED	

Provider's usual & customary charge

Third party payment

Net charge = Copay and balance (if any) not paid by other insurance

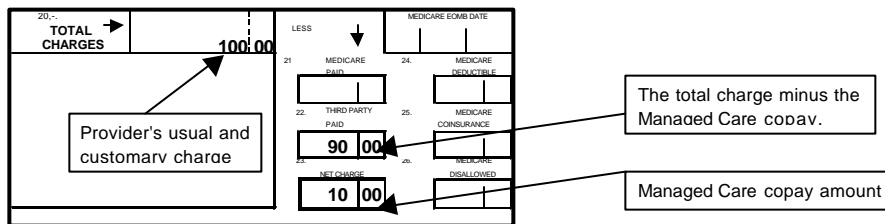
**Managed Care**

Providers should not confuse Medicaid Managed Care enrollment with commercial managed care policies. Medicaid Managed Care enrollment refers to Medicaid clients who receive Medicaid benefit services from a Medicaid-contracted **P**repaid **H**ealth **P**lan (PHP).

Commercial managed care policies are health coverage policies that exist in addition to the individual's Medicaid entitlement.

Medicaid clients may not be charged for any fees, including managed care copayment. Medicaid clients are responsible for only Medicaid copayment amounts.

**Managed Care Example**

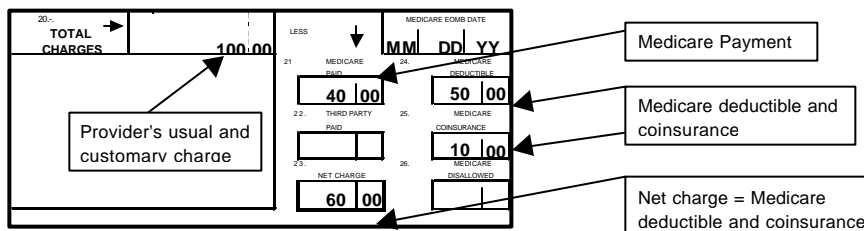


**Medicare**

A Medicare crossover claim is a Medicaid claim that requests payment of the Medicare coinsurance and deductible after Medicare has completed processing.

Clients are not responsible for any remaining balances after Medicaid crossover processing.

**Medicare Example**

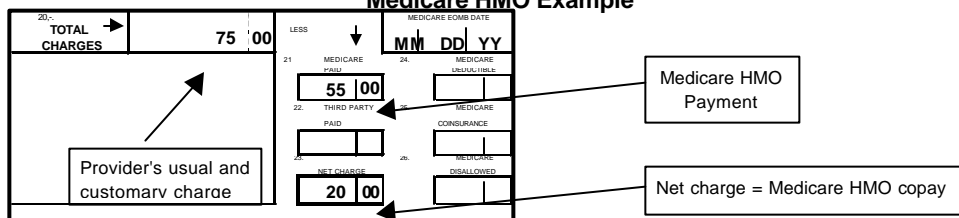


**Medicare HMO**

A Medicare HMO crossover claim is a Medicaid claim that requests payment of the balance after the Medicare HMO has completed processing.

Clients are not responsible for any remaining balances after Medicaid HMO crossover processing.

**Medicare HMO Example**



**Medicaid allowed charge calculation**

The system compares the usual and customary charge to the Medicaid allowed charge, calculates the reimbursed amount by looking at the lower price, subtracts any Medicaid cost-sharing or copay amount, and pays the difference up to the net charge.

Clients may **not** be billed for the difference between the provider's charges and Medicaid, Medicare, Managed Care, or commercial insurance payments. **Medicaid clients cannot be billed more than the Medicaid copayment.**

Please direct questions about Medicaid billing or the information in this bulletin to:  
 Medicaid Provider Services at 303-534-0146 or 1-800-237-0757 (Toll free Colorado)