## TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control No: 560 . Department or Agency: Alabama Medicaid Agency
Rule No: <u>560-X-2006</u>
Rule Title: Fiscal Agent Responsibility  New Rule; X Amend; Repeal; Adoption by Reference
Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?
Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?
Is there another, less restrictive method of regulation available that could adequately protect the public?
Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?
Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?
Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?  ***********************************
Does the proposed rule have any economic impact?no
If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, <u>Code of Alabama 1975</u> .  ***********************************
I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.
Signature of certifying officer: Stephanie Linday
Date: 11-18-2014 ************************************
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EDITED AND APPROVED BY DOCUMEN_ DOCUMENT NO

## ALABAMA MEDICAID AGENCY

## NOTICE OF INTENDED ACTION

**RULE NO. & TITLE:** 560-X-20-.06 - Fiscal Agent Responsibility

INTENDED ACTION: Amend 560-X-20-.06

<u>SUBSTANCE OF PROPOSED ACTION</u>: The above referenced rule is being amended to clarify the roles and responsibilities of the Fiscal Agent in accordance with State and Federal requirements.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than January 2, 2015.

**CONTACT PERSON AT AGENCY:** Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624.

Stephanie McGee Azar Acting Commissioner

Rule No. 560-X-20-.06. Fiscal Agent Responsibility.

- (1) The Medicaid's fiscal agent is responsible for monitoring all claims for possible third party liability and utilizing information on the face of the claims to identify potential Third Party liability. The fiscal agent will utilize Medicare coverage dates, the Commercial TPL policy file and Medicare Advantage enrollment dates to ensure that Medicaid properly processes claims as the payer of last resort. Form XIX-TPD-1-76, the Eligibility file, the Insurance Policy File, and Diagnostic Codes to identify potential third party liability.
- (2) The fiscal agent is responsible for editing claims for third party coverage in accordance with State requirements to ensure that claims are either cost avoided, recouped from the provider, or identified for post payment billing to third party payers.
- (23) The fiscal agent is responsible for retroactively identifying third party liability, on a regular basis including Medicare, and either cost avoiding covered claims, recouping Medicaid payment from the provider or producing post payment billings to an insurance carrier to obtain reimbursement for Medicaid paid claims in accordance with State and Federal requirements.
- (3) Where it is determined a recipient is retroactively eligible for Medicare, the fiscal agent will recoup erroneous Medicaid payment from the provider and instruct the provider to file with Medicare.

Author: Wanda Wright, Administrator, Third Party Liability Division.

Statutory Authority: 42 C.F.R. Sections 432 & 433; Section 1902(a)(25), Social Security Act;

Section 22-6-6 of 1975 Code of Alabama.

**History:** Effective date of this amendment January 13, 1993. Amended: Filed November 18, 2014.