

## New ICRC Brief on Preventing Improper Billing of Medicare-Medicaid Enrollees in Managed Care and CMS Guidance to States on Payment of Beneficiary Cost-Sharing

### Preventing Improper Billing of Medicare-Medicaid Enrollees in Managed Care: Strategies for States and Dual Eligible Special Needs Plans

Medicaid provides some degree of coverage for Medicare deductibles, copayments, and coinsurance amounts for about 85 percent of dually eligible beneficiaries. The vast majority of these Medicare-Medicaid enrollees are Qualified Medicare Beneficiaries (QMBs) and are protected from billing by any providers for unpaid Medicare cost-sharing.

Although providers are prohibited from billing these protected beneficiaries for cost-sharing, improper billing continues to be an issue. A new ICRC brief *Preventing Improper Billing of Medicare-Medicaid Enrollees in Managed Care: Strategies for States and Dual Eligible Special Needs Plans* explores strategies that states and Medicare Advantage Dual Eligible Special Needs Plans (D-SNPs) can use to streamline claims processing and communicate with providers and members in order to prevent instances of improper billing. [Read the brief >>](#)

### Coordination of Benefits and Third Party Liability (COB/TPL) in Medicaid

State payment of Medicare beneficiary cost-sharing for dually eligible beneficiaries is governed by Centers for Medicare & Medicaid Services (CMS) requirements for Coordination of Benefits and Third Party Liability (COB/TPL). In 2016, CMS released a handbook [Coordination of Benefits and Third Party Liability \(COB/TPL\) in Medicaid](#) that contains policy guidance on a range of COB/TPL topics, including a section (pp. 39-50) devoted specifically to dually eligible beneficiaries. This section describes different types of dual eligible programs, which Medicaid coverage and cost-sharing benefits beneficiaries receive, and Medicaid payment methodologies for Medicare cost-sharing.

States may find the following topics especially relevant as they navigate COB/TPL issues for dually eligible beneficiaries:

- **Types of Dually Eligible Beneficiaries and Medicaid Coverage for Medicare Costs (pp. 40-44).** The handbook describes the eligibility requirements for different types of dual eligible programs, including the categories of the Medicare Savings Program (QMB, SLMB, QI, and QDWI). The chart on page 42 provides a clear synopsis of Medicaid cost-sharing coverage for Medicare costs for each dual eligible program.  
  
The handbook also explains cost-sharing and premium payment rules for dually eligible beneficiaries who are enrolled in Medicare Advantage managed care plans. The chart on page 43 shows state coverage responsibilities for those enrolled in Medicare Advantage.
- **Payment methodologies for Medicare cost-sharing (pp. 44-50).** Depending on the type of dually eligible beneficiary and whether a service is covered under a state plan, state Medicaid agencies may be responsible for covering Medicare cost-sharing amounts. The chart on page

45 provides a clear description of when states are required to cover cost-sharing and how much they are required to pay.

This section of the handbook also covers balance billing and timely claims filing rules; provides a helpful chart detailing cost-sharing coverage for durable medical equipment, prosthetics, orthotics, and supplies on page 49; and explains state responsibilities for skilled nursing facility services and pharmacy services.

- **Oversight of managed care COB/TPL activities (pp. 51-53).** State administrators engaged in oversight activities may also be interested in the managed care issues covered by the handbook, since COB/TPL requirements also apply to Medicaid managed care organizations (MCOs). The handbook summarizes options states have to ensure their compliance with COB/TPL requirements regarding MCOs, and raises oversight issues in topics, such as MCO 'pay and chase' activities, out-of-network coverage, and discovery and recovery responsibilities.
- **Settlement of claims for dually eligible beneficiaries (p. 68).** State administrators overseeing MCOs may also be interested in how different benefit cost recovery rules apply to Medicare and Medicaid. This section of the handbook explains these rules and the mechanics of cost recovery for dually eligible beneficiaries.

#### **ABOUT THE INTEGRATED CARE RESOURCE CENTER**

The *Integrated Care Resource Center* is a national initiative of the Centers for Medicare & Medicaid Services to help states improve the quality and cost-effectiveness of care for individuals dually eligible for Medicare and Medicaid. The state technical assistance activities are coordinated by Mathematica Policy Research and the Center for Health Care Strategies. For more information, visit <http://www.integratedcareresourcecenter.com>.

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