

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Post Office Box 8206
Columbia, South Carolina 29202-8206
www.scdhhs.gov

September 13, 2010

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MEDICAID BULLETIN

TO: Providers Indicated

SUBJECT: Changes to the Third Party Liability Health Insurance Recovery Cycle

At the beginning of each quarter, the Medicaid Management Information System (MMIS) generates letters that the Medicaid Information Verification Services (MIVS) mails to institutional providers. The cover letter informs the provider that Medicaid paid claims for which a primary health insurance resource must be billed. Providers are instructed to reimburse the Medicaid paid amount or the amount the primary plan pays, whichever is smaller. If the claim is not paid by the primary plan, the provider must submit an Explanation of Benefits (EOB) to MIVS to stop the automated debit that will occur if the provider fails to respond. Currently the automated debit occurs after a nine (9) month period.

There is a permanent change being made to this process.

- Effective with the July 2010 letter cycle, the automated debit will occur after a six (6) month period. Failure to respond by mid-December will result in an automated debit at the end of December 2010. Providers will continue to receive a reminder second letter approximately 120 days after the first invoice.
 - NOTE: The scheduled automated debit for claims first invoiced in April 2010 will also occur in December 2010.

If you have any questions regarding this change to health insurance recovery, please contact your program coordinator or the Division of Third Party Liability at (803) 898-2630. Thank you for your continued support of the South Carolina Medicaid program.

/S/

Emma Forkner
Director

EF/wbjt

NOTE: To receive Medicaid bulletins by email, please register at <http://bulletin.scdhhs.gov/>.

To sign up for Electronic funds Transfer of your Medicaid payment, please go to: <http://www.dhhs.state.sc.us/dhhsnew/hipaa/index.asp> and select “Electronic funds Transfer (EFT)” for instructions.