

Affected Programs: BadgerCare Plus, Medicaid

To: Hospice Providers, Inpatient Hospital Providers, Nursing Home Providers, HMOs and Other Managed Care Programs

Changes to Patient Liability for Hospice, Inpatient Hospitals, and Nursing Home Providers

This *ForwardHealth Update* explains changes to patient liability deductions for hospice, inpatient hospital, and nursing home providers. The changes are due to implementation of ForwardHealth interChange, effective October 2008.

Patient liability will *not* be applied to claims for services provided to BadgerCare Plus Standard Plan members and Benchmark Plan members. Patient liability only applies to services covered for members enrolled in institutional Medicaid.

ForwardHealth interChange

In October 2008, the Department of Health and Family Services (DHFS) will implement ForwardHealth interChange, which replaces Wisconsin's existing Medicaid Management Information System (MMIS). ForwardHealth interChange will be supported as part of the State's new fiscal agent contract with EDS. With ForwardHealth interChange, providers and trading partners will have more ways to verify member enrollment and submit electronic claims, adjustments, and prior authorization requests through the secure ForwardHealth Portal. Refer to the March 2008 *ForwardHealth Update* (2008-24), titled "Introducing ForwardHealth interChange, a New Web-Based Information System for State Health Care Programs," for an overview of the implementation and a more detailed outline of the many business process

enhancements and added benefits the new system and fiscal agent contract will provide.

Changes to Patient Liability Deductions

Effective October 2008, patient liability amounts will be deducted from long-term inpatient hospital claims (stays of 30 days or more). Patient liability is any member income in excess of the personal needs allowance and is used to cover some of the member's medical costs if they are institutionalized for 30 or more days. Patient liability will continue to be deducted from nursing home and hospice claims. Providers should *not* indicate patient liability amounts on their claim forms, since liability amounts will automatically be deducted from claims.

Patient liability applies to services provided to members enrolled in Wisconsin Medicaid and does *not* apply for services provided to BadgerCare Plus Standard Plan members or Benchmark Plan members.

ForwardHealth will automatically deduct the appropriate monthly patient liability amount from the *first* nursing home, hospice, or long-term inpatient hospital claim received for the member. If the amount of patient liability exceeds the reimbursement amount of the first claim, the remaining liability amount will be deducted from the next claim(s) received for services provided in the month that patient liability is owed.

Patient liability will no longer be prorated between the facilities if there was a transfer mid-month.

Patient liability amounts deducted from claims will appear in the providers' remittance information. Nursing home providers collect the full monthly liability amount from the patient. They should work with hospice providers and inpatient hospital providers to transfer the appropriate patient liability amount due to those providers.

If a paid claim is subsequently adjusted and denied, any liability amount originally deducted from the claim is returned to the member's patient liability balance on ForwardHealth interChange. Patient liability will be deducted from the next institutional claim paid for services provided in the month that patient liability is owed.

Retroactive Patient Liability Changes

If a member's patient liability decreases retroactively, ForwardHealth will change the member's file and adjust the paid claims as appropriate.

Information Regarding Managed Care

This *Update* contains fee-for-service policy and applies to services members receive on a fee-for-service basis. For managed care policy, contact the appropriate managed care organization. HMOs are required to provide at least the same benefits as those provided under fee-for-service arrangements.

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health and Family Services (DHFS). Wisconsin Well Woman Program is administered by the Division of Public Health, Wisconsin DHFS.

For questions, call Provider Services at (800) 947-9627 or visit our Web site at dhfs.wisconsin.gov/forwardhealth/.

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