

Affected Programs: BadgerCare Plus, Medicaid
To: Nursing Homes, HMOs and Other Managed Care Programs

Reminder: Exhausting Other Health Insurance Sources Before Submitting Nursing Home Claims to ForwardHealth

Except for a few instances, Wisconsin Medicaid and BadgerCare Plus are payers of last resort for any covered services. Therefore, providers are required to make a reasonable effort to exhaust all existing other health insurance sources before submitting claims or claim adjustments to ForwardHealth or to a state-contracted managed care organization. Effective for nursing home institutional claims and claim adjustments submitted with dates of service on and after April 1, 2016, ForwardHealth will be systematically enforcing this requirement. This *ForwardHealth Update* outlines the existing policy and provides timeframes for this enforcement.

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Systematic Enforcement of Other Health Insurance Billing Requirement

Effective for claims and claim adjustments with dates of service (DOS) on and after April 1, 2016, ForwardHealth will be systematically enforcing the requirement that nursing homes and facilities for the developmentally disabled make a reasonable effort to exhaust all other health insurance sources before submitting claims or claim adjustments to

ForwardHealth. For complete instructions regarding billing other health insurance sources and reasonable efforts for follow up if a timely response is not received, refer to the Online Handbook topics listed in the Payer of Last Resort section of this *Update*.

To help providers comply with this requirement, effective for claims and claim adjustments with DOS from April 1, 2016, through June 30, 2016, ForwardHealth will use its Remittance Advice to notify nursing homes and facilities for the developmentally disabled of claims or claim adjustments that require commercial health insurance and Medicare billing but that did not include the results of this billing. These claims or claim adjustments will be identified by one of the following Explanation of Benefits (EOB) codes:

- 1256, which states “Member is enrolled in Medicare Part A on the Date(s) of Service.”
- 0278, which states “Member is covered by a commercial health insurance on the Date(s) of Service.”

During this three-month review period, providers will be reimbursed for claims or claim adjustments that should have indicated the results of commercial health insurance or Medicare billing but did not. However, in order to comply with federal requirements, ForwardHealth will be making claim adjustments in the future to account for any

commercial health insurance that should have been indicated.

Starting July 1, 2016, claims and claim adjustments processed with DOS on and after April 1, 2016, that are submitted without the appropriate commercial health insurance or Medicare information will be denied with EOB code 1256 or 0278. When a provider receives a claim denial with EOB code 1256 or 0278, the provider should bill all other health insurance sources for the member prior to resubmitting the claim. If the resubmitted claim does not reflect the outcome of billing other insurance, the claim will be denied.

Payer of Last Resort

Claims and claim adjustments submitted to ForwardHealth are routinely audited to ensure that Wisconsin Medicaid and BadgerCare Plus are payers of last resort; this includes reviewing other health insurance information provided on claims.

The following topics found in the Online Handbook on the ForwardHealth Portal at www.forwardhealth.wi.gov/ outline the requirements and processes for billing other health insurance sources:

- Exhausting Commercial Health Insurance Sources topic (topic #596) in the Commercial Health Insurance chapter of the Coordination of Benefits section
- Exhausting Medicare Coverage topic (topic #669) in the Medicare chapter of the Coordination of Benefits section
- An Overview for Nursing Homes topic (topic #3220) in the Medicare chapter of the Coordination of Benefits section

For information regarding which services require commercial health insurance and Medicare billing, including Medicare Supplemental and Medicare Advantage plans, refer to the following Online Handbook topics:

- Services Requiring Commercial Health Insurance Billing topic (topic #769) in the Commercial Health

Insurance chapter of the Coordination of Benefits section

- Services Requiring Medicare Advantage Billing topic (topic #770) in the Medicare chapter of the Coordination of Benefits section.

Note: Effective for DOS on and after April 1, 2016, nursing homes are required to bill commercial health insurance before submitting claims to ForwardHealth for skilled nursing home care if any DOS is within 120 days of the date of admission. If benefits greater than 120 days are available, nursing homes are required to continue to bill for them until those benefits are exhausted.

For information regarding how to submit commercial health insurance and Medicare information on claims, refer to the following resources:

- For paper claim submission, refer to service area-specific claim submission completion instructions available in the Online Handbook.
- For electronic claim submission, refer to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Version 5010 Companion Guides, available at www.forwardhealth.wi.gov/WIPortal/Subsystem/Account/StaticHTML.aspx?srcUrl=CompanionDocuments.htm.
- For Direct Data Entry on the Portal, refer to the ForwardHealth Portal User Guides, available at www.forwardhealth.wi.gov/WIPortal/content/Provider/userguides/userguides.htm.spage.

Per Wis. Admin. Code § DHS 106.02(9)(a), in order to substantiate other insurance indicators and Medicare disclaimer codes used on a claim, providers are required to prepare and maintain truthful, accurate, complete, legible, and concise documentation of efforts to bill commercial health insurance and/or Medicare.

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 Services (DHS). The Wisconsin AIDS Drug Assistance Program and the Wisconsin Well Woman Program are administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at 800-947-9627 or visit our website at www.forwardhealth.wi.gov/.

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This *Update* was issued on 03/07/2016 and information contained in this *Update* was incorporated into the Online Handbook on 04/01/2016.