WI ForwardHealth Cost Avoidance Guidance

PSW has received questions from members about how to bill WI ForwardHealth for patients who may have a primary insurance. The WPQC team in conjunction with the Department of Health Services would like to remind everyone that WI Medicaid is always the payer of last resort.

Because Medicaid is the payer of last resort, providers are required to take steps to ensure that Medicaid is NOT paying for services that would be covered by Medicare or commercial health insurance. We call this coordination of benefits or cost avoidance.

Your responsibility as a Medicaid provider billing for professional services is to check the member's enrollment for other coverage. If the member is found to have Medicare Part A or B or has commercial health insurance, you should take steps to verify that Medicare or the Other Insurance (OI) cover MTM services and that the member is eligible for them.

You should exercise due diligence in obtaining this information. The process you choose to verify is a business decision that your organization needs to make. Just keep in mind that the expectation is you coordinate benefits to the best of your ability.

If you find that the member is covered for MTM services under Medicare or OI, you will need to bill the appropriate payer first. Once you get a response as to whether the claim was denied or paid you can proceed with billing Medicaid. Information on how to bill Medicaid when Medicare or OI is involved is outlined in the Forward Health Update (Aug 2012).