

**Bureau of Managed Care
Managed Care Organizations
Policy / Procedures**

General Contract Monitoring

Third Party Liability: Specifically for Long Term Care, Supportive Living Program Residents

General Background on Third Party Liability (TPL)

1. Very few Medicaid clients in Illinois have Long Term Care (LTC) insurance (confirmed by Bureau of Long Term Care and Collections Staff).
2. HFS does not provide the MCOs any detail on TPL (high level, dental, or pharmacy as examples) on the daily and/or monthly 834 enrollment files.
3. HFS does not send the MCOs a separate report that provides any third-party information.

Policy for MCOs

1. MCOs cannot deny claims for TPL upfront for claims coming in for LTC or Supportive Living Program (SLP) residents.
2. When the claim for nursing facility services involves a LTC or SLP resident, MCOs cannot deny the claim for TPL reasons while awaiting an Explanation of Benefits (EOB) from another insurer.
3. MCOs can instruct facilities to include LTC insurance on the claim if the provider is receiving payment from other sources.
4. If MCOs identify LTC insurance through other means, they should submit that insurance information monthly through the usual channel at HFS.

Policy History
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TPL: Specifically for LTC, SLP Residents

Date	Action	Policy Originator
April 2018	Policy created	Laura Ray/Lauren Tomko
June 2020	Policy review/approval	Laura Ray

Policy Revisions	Revision Approved
[revision date]	[name of person who approved revision]