

**STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
MED-QUEST DIVISION**

PUBLIC NOTICE

Pursuant to 42 C.F.R. §447.205, the Department of Human Services (DHS), Med-QUEST Division (MQD) hereby notifies the public that the MQD intends to submit a State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services (CMS).

States are required to comply with third party liability (TPL) requirements authorized under both the Bipartisan Budget Act (BBA) of 2018 (Pub. L. 115-123) and the Medicaid Services Investment and Accountability Act (MSIAA) of 2019 (Pub. L. 116-16) affecting BBA of 2013. The proposed amendment to the Medicaid State Plan creates a new page (3) to Attachment 4.22-B to reflect the following amendments as required:

1. The requirement for states to apply cost avoidance procedures to claims for prenatal services, labor, delivery, and postpartum care services.
2. The requirement for states to make payments without regard to potential TPL for pediatric preventive services, unless the state has made a determination related to cost effectiveness and access to care that warrants cost avoidance for 90 days; and
3. State flexibility to make payments without regard to potential TPL for up to 100 days for claims related to child support enforcement beneficiaries.

Under Provisions of federal law, the state is required to issue public notice of proposed changes in statewide methods and standards for setting Medicaid payment rates.

SPA 21-0017 is expected to have minimal effect on the annual aggregate expenditures. The proposed change will be submitted for review to the federal government as a Medicaid SPA.

A printed copy of the proposed changes and special accommodations (i.e., interpreter, large print or taped materials) can be arranged if requested by contacting the Policy and Program Development Office at (808) 692-8058 no later than seven (7) working days before the comment period ends.

Comments should be received **within 30 days** from the time this notice is posted. Individuals may submit written comments using the following methods:

By email: PPDO@dhs.hawaii.gov (Please identify in the subject line: State Plan Amendment 21-0017)

By mail:

Department of Human Services
Med-QUEST Division
Attention: Policy and Program Development Office
P.O Box 700190
Kapolei, Hawaii 96709

DEPARTMENT OF HUMAN SERVICES, MED-QUEST DIVISION
JUDY MOHR PETERSON, PhD
MED-QUEST DIVISION ADMINISTRATOR

State of Hawaii

REQUIREMENTS FOR THIRD PARTY LIABILITY- PAYMENT OF CLAIMS

(i) The Medicaid agency ensures compliance with the TPL requirements authorized under both the Bipartisan Budget Act (BBA) of 2018 (Pub. L. 115-123) and the Medicaid Services Investment and Accountability Act (MSIAA) of 2019 (Pub. L. 116-16 affecting the BBA of 2013).

Citation Requirements for Third Party liability Payment of Claims

42CFR433.139(b) (3) (ii) (C) (1) The State will pay and chase third parties when services covered under the plan are furnished to an individual on whose behalf child support enforcement is being carried out by the State Title IV-D Agency.

For such claims, the State will only authorize payment under the following conditions:

- a. Up to 100 days have elapsed from the date of service.
- b. The provider billed the third-party.
- c. Documentation is attached verifying that a. and b. have been met.

The State will monitor the pay and chase system for such claims for improper billings made by providers and take appropriate corrective action.

*

42CFR433.139(b) (3) (ii) (B) (2) Providers who have billed a third party prior to billing Medicaid must certify on the Medicaid claim that a third party has been billed, that payment has not been received and a partial payment has been received from the third party

Section 1902(a) (25) (E) (3) The State shall make payments without regard to third party liability for

pediatric preventive services unless a determination related to cost-effectiveness and access to care that warrants cost avoidance for up to 90 days has been made.

Section 1902(a) (25) (E) (4) The State shall use standard coordination of benefits cost avoidance when processing claims for prenatal services, including labor and delivery and postpartum care claims.

TN No. 21-0017

Supersedes

Approval
Date:

Effective Date: 12/31/2021

TN No. NEW

State of HawaiiREQUIREMENTS FOR THIRD PARTY LIABILITY- PAYMENT OF CLAIMS

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TN No. NEW

State/Territory: STATE OF HAWAII
ATTACHMENT 4.19-B

Citation:

4.22 (continued)

42 CFR 433.151(a)

- (c) The Medicaid agency has written cooperative agreements for the enforcement of rights to and collection of third party benefits assigned to the State as a condition of eligibility for medical assistance with the following: (Check as appropriate.)

☒ State Title IV-D agency. The requirements of 42 CFR433.152(b) are met.

☐ Other appropriate State agency(s)-

☐ Court and law enforcement officials.

1902(a)(60) of the Act

- (d) The Medicaid agency assures that the State has in effect the laws relating to medical child support under section 1908 of the Act

1906 of the Act

- (e) The Medicaid agency specifies the guidelines used in determining the cost effectiveness of an employer-based group health plan by selecting one of the following:

☐ The Secretary's method as provided in the State Medicaid Manual, Section 3910.

☐ The State provides methods for determining cost effectiveness on Attachment 4.22-C.

* The State of Hawaii has not elected either of the above options, per Section 4747 of the BBA of 1997

1902(a)(25)

- (i) The State complies with third-party liability (TPL) requirements reflected in current law."

TN No. 21-0017

Supersedes

TN No. 01-011

Approval Date: _____

Effective Date: 12/31/2021

[Revisions: ~~HCFA PM 94-1~~ (MB)]
~~[FEBURARY 1994]~~

State/Territory: STATE OF HAWAII
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TN No. 21-0017 [~~01-011~~]

Supersedes _____ Approval Date: _____

Effective Date: 12/31/2021 [~~OCT-01-2001~~]

TN No. 01-011 [~~01-008~~]