

**11/04/2024**

## **Third Party Liability – Medicaid Managed Care Provider Requirements**

### **Background:**

The Texas Health and Human Services Commission (HHSC), Office of Inspector General-Third Party Recoveries division (OIG-TPR) has recently seen a high number of escalations due to a Medicaid provider refusing to see a Medicaid Member because the Medicaid Member has other health insurance.

Providers who participate in Texas Medicaid may not refuse services to eligible Medicaid Members due to potential other health insurance coverage. Additionally, providers are reminded that Medicaid-eligible Members cannot be held responsible for charges exceeding a third-party liability (TPL) payment for services covered by Texas Medicaid. If the TPL pays less than the Medicaid managed care amount, providers should submit a claim to the Texas Medicaid MCO for any additional allowable reimbursement.

### **Action:**

OIG-TPR requests that all MCOs remind Medicaid MCO providers that they cannot refuse services to an eligible Medicaid Member because the Medicaid Member may have other health insurance coverage, and the Medicaid Member cannot be held responsible for charges exceeding a TPL payment for services covered by Texas Medicaid.

### **Resources:**

Texas Medicaid Provider Procedures Manual (TMPPM), SECTION 8.3: THIRD PARTY LIABILITY (TPL), TPR Sources

### **Contact:**

Third Party Recoveries at [TPL\\_ManagedCare@hhs.texas.gov](mailto:TPL_ManagedCare@hhs.texas.gov) with questions regarding this notice.

**Type:** Informational

**To:** CHIP; STAR; STAR+PLUS; STARHEALTH; STAR\_KIDS

**From:** Other