



Third-Party Liability and Medicare Reference Guide

Definitions

Third-Party Liability

The term Third-Party Liability (TPL) describes circumstances when a Health First Colorado member has health insurance in addition to the Health First Colorado program that may pay for medical services.

There are a variety of circumstances other than Commercial Health Insurance coverage where services provided to a member may be payable by a third-party. In some instances, liability is firmly established, such as with Workers Compensation.

In others, however, there may be potential liability that has not been confirmed, such as with an automobile policy. Refer to the [Billing Manuals web page](#) under the General Provider Information drop-down menu to find the General Provider Information manual for more information detailing what is considered Third-Party Liability or Commercial Insurance.

Medicare

Medicare is the federal government program that provides health care coverage if a member is 65+, under 65 and receiving Social Security Disability Insurance (SSDI) for a certain amount of time, or under 65 and with End-Stage Renal Disease (ESRD).

- Medicare Part A: Part A covers inpatient hospital stays, care in a skilled nursing facility, hospice care, and some home health care
- Medicare Part B: Part B covers certain doctors' services, outpatient care, medical supplies, and preventive services
- Medicare Part C: A Medicare Advantage Plan (such as HMO or PPO) is another Medicare health plan choice a member may have as part of Medicare. Medicare Advantage Plans are offered by private companies approved by Medicare
- Medicare Part D: Part D is insurance for medication needs. Members pay a monthly premium to an insurance carrier for a Part D plan. Instead of paying full price for medications, members will pay a co-pay or percentage of the drug's cost.



Timely Filing Requirements

Third-Party Liability

Providers who are submitting Third-Party Liability claims must file within 365 days of the date of service. Third-Party Liability claims that are more than 365 days from the date of service must be denied per state and federal regulations.

Medicare

Providers who are submitting Medicare crossover claims must file within 365 days of the date of service. If the claim is outside of the 365 days, the provider then has 120 days from the Medicare date of payment or denial.

Payment of Third-Party Liability claims

Health First Colorado (Colorado’s Medicaid Program) pays the difference between TPL payment and Program Allowable.

Payment of Medicare Crossover claims

Medicare Part A: Provider payment is Health First Colorado’s allowed benefit minus the Medicare payment, or the Medicare determined deductible and coinsurance, whichever is less. If Medicare’s payment equals or is greater than the Health First Colorado allowance, crossover claims are paid zero.

Medicare Part B: The Health First Colorado program pays the Medicare deductible and coinsurance or the Health First Colorado-allowed benefit minus the Medicare payment, whichever is less. If Medicare’s payment equals or is more than the Health First Colorado allowed benefit, crossover claims are paid zero.

Submitting Medicare or Third-Party Liability information on the Provider Web Portal

Reference the following document on the [Quick Guides and Webinars webpage](#):

- Submitting a Claim with Other Insurance or Medicare Crossover Information

Submitting Third-Party Liability information on the CMS 1500

Field Number	Instructions
Field 6	<ul style="list-style-type: none"> • Place an "X" in the box that identifies the member’s relationship to the policyholder



Field 9	<ul style="list-style-type: none"> Enter the insured's full last name, first name, and middle initial. If the insured used a last name suffix (e.g. Jr, Sr), enter it after the last name and before the first name
Field 9a	<ul style="list-style-type: none"> Enter the policy or group number
Field 9d	<ul style="list-style-type: none"> Enter the insurance plan or program name
Field 11d	<ul style="list-style-type: none"> Mark X on the YES box
Field 29	<ul style="list-style-type: none"> Enter the total amount paid by the commercial health insurance on the billed services <ul style="list-style-type: none"> Do not use commas when reporting dollar amounts Enter 00 in the cents area if the amount is a whole number

Medicare Part A CMS 1500 Billing Instructions

Field Number	Instructions
Field 4	<ul style="list-style-type: none"> Enter the insured's full last name, first name, and middle initial <ul style="list-style-type: none"> If the insured used a last name suffix (e.g., Jr, Sr), enter it after the last name and before the first name
Field 11	<ul style="list-style-type: none"> Enter the insured's policy number as it appears on the ID card. <ul style="list-style-type: none"> Only complete if field 4 is completed
Field 11a	<ul style="list-style-type: none"> Enter the insured's birth date using two digits for the month, two digits for the date and two digits for the year <ul style="list-style-type: none"> Example: 070114 for July 1, 2014. Place an "X" in the appropriate box to indicate the sex of the insured
Field 29	<ul style="list-style-type: none"> Enter the total amount paid by Medicare on the billed services <ul style="list-style-type: none"> Do not use commas when reporting dollar amounts Enter 00 in the cents area if the amount is a whole number



Submitting Third-Party Liability information on the UB-04

Field Number	Instructions
Fields 39-41	<ul style="list-style-type: none"> • Enter appropriate codes and related dollar amounts to identify monetary data or number of days using whole numbers, necessary for the processing of this claim <ul style="list-style-type: none"> ○ Enter the deductible amount applied by indicated payer: <ul style="list-style-type: none"> ▪ A1 Deductible Payer A ▪ B1 Deductible Payer B ▪ C1 Deductible Payer C ○ Enter the amount applied to member's coinsurance by indicated payer: <ul style="list-style-type: none"> ▪ A2 Coinsurance Payer A ▪ B2 Coinsurance Payer B ▪ C2 Coinsurance Payer C ○ Enter the amount paid by indicated payer: <ul style="list-style-type: none"> ▪ A3 Estimated Responsibility Payer A ▪ B3 Estimated Responsibility Payer B ▪ C3 Estimated Responsibility Payer C
Field 50	<ul style="list-style-type: none"> • Enter the payment source code followed by name of each payer organization from which the provider might expect payment <ul style="list-style-type: none"> ○ At least one line must indicate Health First Colorado ○ Example: F (Insurance Company)
Field 51	<ul style="list-style-type: none"> • Enter the provider's Health Plan ID for each payer name
Field 54	<ul style="list-style-type: none"> • Enter third-party payments
Field 55	<ul style="list-style-type: none"> • Enter the net amount due from Health First Colorado after provider has received payment from third-party coverage
Field 58	<ul style="list-style-type: none"> • After entering the member's name on the first line for Health First Colorado coverage: <ul style="list-style-type: none"> ○ Complete additional lines when there is third-party coverage ○ Enter the policyholder's last name, first name, and middle initial
Field 60	<ul style="list-style-type: none"> • After entering the member ID on the first line for Health First Colorado coverage:



	<ul style="list-style-type: none"> ○ Complete additional lines when there is third-party coverage ○ Enter the insured's unique identification number assigned by the payer organization exactly as it appears on the health insurance card <ul style="list-style-type: none"> ▪ Include letter prefixes or suffixes shown on the card
Field 61	<ul style="list-style-type: none"> • Enter the name of the group or plan providing the insurance to the insured exactly as it appears on the health insurance card
Field 62	<ul style="list-style-type: none"> • Enter the identification number, control number, or code assigned by the carrier or fund administrator identifying the group under which the individual is carried

Submitting Medicare information on the UB-04

Field Number	Instructions
Fields 39-41	<ul style="list-style-type: none"> • Enter appropriate codes and related dollar amounts to identify monetary data or number of days using whole numbers, necessary for the processing of this claim. <ul style="list-style-type: none"> ○ Enter the deductible amount applied by indicated payer: <ul style="list-style-type: none"> ▪ A1 Deductible Payer A ▪ B1 Deductible Payer B ▪ C1 Deductible Payer C ○ Enter the amount applied to member’s coinsurance by indicated payer: <ul style="list-style-type: none"> ▪ A2 Coinsurance Payer A ▪ B2 Coinsurance Payer B ▪ C2 Coinsurance Payer C ○ Enter the amount paid by indicated payer: <ul style="list-style-type: none"> ▪ A3 Estimated Responsibility Payer A ▪ B3 Estimated Responsibility Payer B ▪ C3 Estimated Responsibility Payer C
Field 50	<ul style="list-style-type: none"> • Enter the payment source code followed by name of each payer organization from which the provider might expect payment <ul style="list-style-type: none"> ○ At least one line must indicate Health First Colorado <ul style="list-style-type: none"> ▪ Example: C (Medicare)



Field 51	<ul style="list-style-type: none"> • Enter the provider’s Health Plan ID for each payer name
Field 54	<ul style="list-style-type: none"> • Enter Medicare payments
Field 55	<ul style="list-style-type: none"> • Enter the sum of the Medicare coinsurance plus Medicare deductible less third-party payments and member payments
Field 58	<ul style="list-style-type: none"> • After entering the member’s name on the first line for Health First Colorado coverage: <ul style="list-style-type: none"> ○ Complete additional lines when there is Medicare coverage ○ Enter the policyholder's last name, first name, and middle initial
Field 60	<ul style="list-style-type: none"> • After entering the member ID on the first line for Health First Colorado coverage: <ul style="list-style-type: none"> ○ Complete additional lines when there is Medicare coverage ○ Enter the insured's unique identification number assigned by the payer organization exactly as it appears on the health insurance card <ul style="list-style-type: none"> ▪ Include letter prefixes or suffixes shown on the card.

