



Third-Party Liability and Medicare Reference Guide

Definitions

Third-Party Liability

The term Third-Party Liability (TPL) describes circumstances when a Health First Colorado (Colorado's Medicaid program) 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 [General Provider Information Manual](#) located on the [Billing Manuals web page](#) under the General Provider Information drop-down menu for more information detailing what is considered TPL or Commercial Insurance.

Medicare

Medicare is the federal government program that provides healthcare 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 Health Maintenance Organization [HMO] or Preferred Provider Organization [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 submitting Third-Party Liability (TPL) claims must file within 365 days of the Date of Service (DOS). TPL claims that are more than 365 days from the DOS must be denied per state and federal regulations.

Medicare

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

Payment of TPL Claims

Health First Colorado pays the difference between the TPL payment and the 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 is equal to or greater than the Health First Colorado allowance, crossover claims are paid at 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 is equal to or greater than the Health First Colorado allowed benefit, crossover claims are paid at zero.

Submitting Medicare or TPL Information on the Provider Web Portal

Refer to the [Submitting a Claim with Other Insurance or Medicare Crossover Information Quick Guide](#) located on the [Quick Guides web page](#).

Submitting TPL Information on the CMS 1500

Field Number	Instructions
Field 6	Place an "X" in the box that identifies the member's relationship to the policyholder.
Field 9	Enter the full last name, first name and middle initial of the insured. If the insured used a last name suffix (e.g., Jr, Sr), enter it after the last name and before the first name.
Field 9	Enter the policy or group number.
Field 9	Enter the insurance plan or program name.

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Field Number	Instructions
Field 11d	Place an "X" in the YES box.
Field 29	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	Enter the full last name, first name and middle initial of the insured. <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	Enter the policy number of the insured as it appears on the ID card. <ul style="list-style-type: none"> Only complete if Field 4 is completed.
Field 11a	Enter the birth date of the insured using two (2) 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	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 TPL Information on the UB-04

Field Number	Instructions
Fields 39-41	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 the 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 the member's coinsurance by the indicated payer: <ul style="list-style-type: none"> A2 Coinsurance Payer A B2 Coinsurance Payer B C2 Coinsurance Payer C



Field Number	Instructions
	<ul style="list-style-type: none"> • Enter the amount paid by the 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	Enter the payment source code followed by the 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	Enter the provider’s Health Plan ID for each payer name.
Field 54	Enter third-party payments.
Field 55	Enter the net amount due from Health First Colorado after the provider has received payment from third-party coverage.
Field 58	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	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	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	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	Enter the appropriate codes and related dollar amounts to identify the 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 the indicated payer:



Field Number	Instructions
	<ul style="list-style-type: none"> ○ A1 Deductible Payer A ○ B1 Deductible Payer B ○ C1 Deductible Payer C ● Enter the amount applied to the member’s coinsurance by the 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 the 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	Enter the payment source code followed by the 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	Enter the provider’s Health Plan ID for each payer name.
Field 54	Enter Medicare payments.
Field 55	Enter the sum of the Medicare coinsurance plus Medicare deductible less third-party payments and member payments.
Field 58	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	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 unique identification number of the insured 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.

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