

12/17/18

Re: Secondary Medicaid Payment Responsibility in Coordination of Benefits (COB) Situations

Dear Provider,

Aetna Better Health is committed to ensuring that the claims you submit are processed in a timely and accurate manner. Aetna Better Health serves as a Medicaid managed-care organization (MCO) on behalf of the State of Illinois and arranges for the provision of covered services to its members. When more than one program or payer has payment responsibility for a particular service rendered to a member—for example, when a service is covered under both Medicare and Medicaid—Aetna Better Health follows applicable coordination-of-benefits (COB) principles to determine which program/payer has primary payment responsibility (PPR) for that service. This COB analysis includes a determination of the amount payable by the program/payer having PPR, along with the amounts, if any, payable by programs/payers that have secondary or lower payment responsibility. If a service is covered under *both* Medicaid and another program/payer, Medicaid never has PPR.

Under established COB principles, if the amount of the payment made by the program/payer having PPR (*e.g.*, Medicare) *exceeds* the amount that the secondary program/payer (*e.g.*, Medicaid) *would have paid* if it had PPR, then the secondary program/payer has no payment responsibility.

Aetna Better Health has identified an error in the COB method by which it calculated the *Medicaid* amount that is secondarily payable when *Medicare* has PPR for a particular service. Specifically, Aetna Better Health erroneously made certain secondary payments to providers when, under the COB principle described above, the Medicaid amount that was secondarily payable should have been zero.

Please be advised, going forward Aetna Better Health will apply the above-described COB principle strictly and consistently. As a result, the aggregate amount that providers receive from Aetna Better Health for certain services may *decrease* now that the secondarily payable Medicaid amounts on those services will be zeroed out appropriately. Aetna Better Health will apply this COB principle consistently for all claims processed on or after 01/07/19, regardless of the corresponding date of service. Aetna Better Health may reprocess previously adjudicated claims to recover erroneous secondary overpayments on claims with dates of service in 2018.

Thank you for your participation. We look forward to continuing a successful working relationship. If you have further questions about the information in this notice, please contact your Network Account Manager.

Sincerely,

Corey Taliaferro

Director, Service Operations