

ACS' Medicaid Third Party Liability (TPL) services dramatically improve proactive cost avoidance measures and help States strengthen recovery efforts. Our innovative SmartTPL cost avoidance solution helps prevent costly pay and chase efforts for all pharmacy claims. For those claims that do require recovery, ACS is a proven leader in this area as well. In 2007, our recovery programs recouped nearly \$500 million. ACS has provided these services to public and private programs for over 10 years.

#### ENSURING MEDICAID IS PAYER OF LAST RESORT

ACS' **SmartTPL** is a real-time pharmacy cost avoidance solution that automatically searches for other insurance coverage before a prescription is filled at the point of sale. During claim adjudication, SmartTPL accesses an on-line Master Patient Index (MPI) database of over 200 million records to determine eligibility, identify appropriate payer information and claim submission information. Because third party coverage is determined before a claim is paid, costly pay-and-chase activities are eliminated for those claims identified as having other coverage. This increased emphasis on cost avoidance reduces State administrative expenses and improves provider operational efficiency.

**Primary Payer Identification.** ACS' exclusive Internet-based search engine portal, MEVSNET.com, allows programs to check for third party eligibility during the Medicaid enrollment process before enrollment is completed. For payers that allow real-time processing for TPL, users receive responses in an easy-to-read format within a few seconds. The State may use batch submission modes to identify primary payers. ACS currently has access to over 400 payers. The State may also submit daily or weekly batch mode files to ACS to check for other coverage against a pre-defined list of payers. ACS parses the files, submits inquiries to payers, then batches the responses to populate the State's system.

**ACS' EDI Gateway.** Many TPL programs rely on purchasing and matching other insurance coverage data from Medicare and third party health insurance carriers. Frequently this data is expensive and outdated, leading to unnecessary letters, phone calls and avoidable complaints to recover funds where none are actually available. ACS' EDI Gateway provides access to current, data. This reduces latency while better targeting potentially recoverable funds and providing complete and accurate information to avoid the cost of the claim. Additionally, ACS maintains the integrity of all third party resource data by proactively identifying policy terminations and changes in group benefits, particularly those groups that employ large numbers of Medicaid recipients or family members.

**Casualty Recovery.** ACS applies proprietary algorithms to a State's claims data to detect cases where medical bills from an accident may be covered by Personal Injury Protection policies or automotive insurance with medical coverage. Unfortunately, third party coverage for accident-related cases may not always be reported to the State, thus depriving a Medicaid program of the opportunity to recover any funds. Rather than wait for a notification that may never occur, a State using ACS' program is able to aggressively identify third party coverage that may otherwise go undetected. ACS conducts data analysis to identify potential accidents based upon diagnosis, age, benefits paid, and other factors. One to four questionnaires are mailed to a recipient for the purpose of attaining this data. Based upon the recipient's questionnaire response, ACS either closes the case or pursues recoverable sources.



**Provider Credit Balance Audits.** Providers may inadvertently overbill Medicaid or be overpaid as a result of receiving payments from multiple insurers. This creates a credit balance on the provider's records. In many cases, providers may fail to reimburse Medicaid or do so in an untimely manner. To recover these funds, ACS reviews financial and billing records at hospitals, long-term care facilities, and renal dialysis providers to identify and recover credit balances and other overpayments. In addition, ACS' Credit Balance Analysis System (CBAS) allows providers to self-report credit balances and reimburse the State Medicaid program. This amnesty-like approach allows providers to deploy a more efficient process to self-identify and submit refunds to Medicaid.

**Estate Recovery.** ACS pursues recovery from estates where the deceased recipient received benefits after turning age 55. To maximize recovery, ACS' proprietary system automatically opens files for all recipients whose status is deceased and is 55 years or older at the time of death. ACS legal staff, on behalf of the State, files the claim with the estate and appears at all proceedings. As a proactive approach, ACS files caveats in the counties where an estate could be filed. ACS also cross-checks each county's probate report with the recipient database.

**Trusts and Annuities Recovery.** ACS pursues reimbursement from recoverable trusts and annuities of deceased recipients. ACS' proprietary system automatically opens files for all recipients whose status is deceased and the database indicates a trust or annuity is recoverable. ACS sends automatically generated correspondence to the trustee advising the funds in the trust on the date of death are payable to the State. Where a trust made the full monthly personal responsibility payment to a nursing home and the recipient resided in the nursing home for a partial month prior to death, ACS sends automatically generated correspondence to the nursing home advising the State is entitled to the overpayment.

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