

C. Technical Approach

5. Third Party Resources (Section 14.0 Third Party Resources)

As a result of covering health benefits and managing care and social support to a wide array of Commercial, Medicare and Medicaid populations in the Commonwealth and nationwide, Humana has vast experience with Coordination of Benefits (COB)/Third-Party Liability (TPL). We have developed systems and processes to accommodate varying COB/TPL arrangements, including Medicaid Enrollees in Florida, Kentucky, and Illinois; Commercially-insured Enrollees (almost 250,000 in Kentucky and 1.4 million nationally); TRICARE military Enrollees in the east and southeast regions of the country; and Medicare Advantage (MA) Enrollees in all 50 states. We have reviewed the Draft Medicaid Contract requirements with respect to COB/TPL and attest that we can and will comply with these requirements.

Humana's Claims Cost Management (CCM) department, which is responsible for detecting and preventing health insurance fraud, waste, and abuse (FWA), is primarily responsible for identifying COB/TPL and managing the financial recovery process. By using multiple programs and systems to monitor the accuracy of claim submissions and related encounter payments, CCM conducts proactive benefit coordination for Enrollees, where another payer or the Centers for Medicare and Medicaid Services (CMS) is the primary payer. Knowing that Medicaid is always the payer of last resort, our approach is premised on obtaining complete information on an Enrollee's other insurance at the front end to avoid "pay and chase" activities at the back end.

Coordination of Benefits for our Medicaid line of business encompasses coordination with Commercial plans, TRICARE, and Medicare. We exchange files with CMS on a monthly basis to obtain Medicare coverage information on Enrollees. For claims that fall within the eligibility dates for Medicare coverage, we have participated in Medicare crossover services where Medicare can directly cross a claim to Humana. We process the claim according to plan benefits and take into account what Medicare has already covered. Humana will follow the Draft Medicaid Contract requirements for the coordination of dual-eligible claims.

We gather information from several sources on other insurance (including Commercial coverage) that an Enrollee might hold that overlaps with their Medicaid eligibility dates and place it in a TPL Resource File. In addition to CMS, our primary source is the Council for Affordable Quality Healthcare (CAQH). As a member of CAQH, Humana exchanges data with CAQH and obtains the latest TPL coverage information on Enrollees. Through its broad collaboration with stakeholders across the healthcare industry, CAQH maintains up-to-date information on third-party coverage, establishes standards for data exchange and system proficiency, and certifies health plans and others with respect to information exchange. **Humana is one of only three organizations, and the only health plan to have achieved CAQH/CORE (Committee on Operating Rules for Information Exchange) Phase IV certification, ensuring that our systems are best in class.**

Humana will supplement the list of insurance companies from which to search for Enrollees' other insurance with the information provided by the Department for Medicaid Services (DMS). Humana will adjust its systems to receive an initial third-party file from DMS to update our Third Party Resource File, as appropriate, on other insurance held by Enrollees.

When a provider submits a claim for an Enrollee where another insurer or CMS is primary, we notify the provider of the Enrollee's other coverage and request that they submit a claim to that other entity. Where other insurers or Medicare coverage is primary, and Humana has paid the provider, Humana will seek recovery from the provider and advise the provider to bill the other insurer. Once that claim is paid, the provider will send Humana the Explanation of Benefits (EOB) from the primary payer.

CCM also oversees the subrogation process where another third party (e.g., auto insurer) is liable due to an Enrollee being involved in an accident or other mishaps. CCM's Subrogation unit identifies, investigates, and coordinates payment with other liable third parties.

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Attachment I.C.5-1 Third Party Liability Process Flow depicts the process described above.