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State/Territory Name: NV

State Plan Amendment (SPA) #:18-015

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DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
San Francisco Regional Office
90 Seventh Street, Suite 5-300 (5W)
San Francisco, CA 94103-6706



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

January 9, 2019

Richard Whitley, Director
Department of Health and Human Services
4126 Technology Way, Suite 100
Carson City, NV 89706

Dear Mr. Whitley:

Enclosed is an approved copy of Nevada State Plan Amendment (SPA) 18-015. The SPA updates language to the cost avoidance and cost savings programs in order to align with current state practices for third party liability procedures and methods. The SPA was submitted to CMS on December 5, 2018.

This SPA is approved effective October 1, 2018. Attached is a copy of the following pages to be incorporated into your state plan:

- Attachment 4.22-A, Pages 1, 1 (continued), and 2

If you have any questions, please contact Peter Banks by phone at (415) 744-3782 or by email at Peter.Banks@cms.hhs.gov.

Sincerely,

/s/

Dzung Hoang
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Encls: Approval Package

cc: Cody Phinney: Acting Administrator, DHCFP

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:

18-015

2. STATE:

NEVADA

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: **TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID)**

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

October 1, 2018

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN

AMENDMENT TO BE CONSIDERED AS NEW PLAN

AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

**42 CFR 433.138
Section 1634 of the Act**

7. FEDERAL BUDGET IMPACT:

a. FFY 2018 \$0
b. FFY 2019 \$0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Third Party Liability Attachment 4.22-A Page 1 and Page 2.
Third Party Liability Attachment 4.22-A Pages 1,1 (continued), and 2

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Third Party Liability Attachment 4.22-A Page 1 and Page 2.

10. SUBJECT OF AMENDMENT:

Updating Medicaid State Plan Section 4.22 Third Party Liability, Attachment 4.22-A "Expansion of Description of Procedures and Methodologies" for cost avoidance and cost savings programs to align with current state practices.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT

COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

The Governor's Office does not wish to review the State Plan Amendment.

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Cody Phinney

14. TITLE:

Acting Administrator, Division of Health Care Financing and Policy

15. DATE SUBMITTED:

12/5/18

16. RETURN TO:

**Lynne Foster, Chief of Division Compliance
DHCFFP/Medicaid
1100 East William Street, Suite 101
Carson City, NV 89701**

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: **12/5/18**

18. DATE APPROVED:

January 9, 2019

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: **10/1/18**

20. SIGNATURE OF REGIONAL OFFICIAL:

/s/

21. TYPED NAME: **Dzung Hoang**

22. TITLE: **Associate Regional Administrator, Acting**

23. REMARKS: **Pen and Ink: Box 8 - Update language to read "Third Party Liability Attachment 4.22-A Pages 1, 1 (continued), and 2".**

THIRD PARTY LIABILITY – IDENTIFYING LIABLE RESOURCES

Expansion of Third Party Liability – Payment of Claims associated to Cost Saving Programs in Attachment 4.22-B of the State Plan.

433.138(d)(1) &(d)(3) (IV-A); (Exchange of Data)

- (1) Nevada obtains information for the purpose of determining the legal liability of third parties from data exchanges with the Department of Employment, Training and Rehabilitation, Employment Security Division (ESD), Title IV-A Agency, Title IV-D Agency, Commercial Insurance Carriers, Referrals, Health Insurance Premium Program (HIPP), Third Party Liability (TPL) Reviews and from the diagnosis and trauma code edits for a data match. At the time of application for assistance, a match is done automatically.

The Division of Welfare and Supportive Services (DWSS) is the State IV-A agency for employment information. Employment information is utilized to determine Medicaid eligibility and employment TPL. The State's TPL management team updates and populates the data into the Medicaid Management Information System (MMIS).

The State of Nevada Department of Personnel conducts an exchange of data with the states TPL management team. A match of all Medicaid eligibles with responsible absent parent (IV-D) or parent (IV-A) by Social Security Number to determine if they are employed by the state of Nevada.

Support Enforcement (IV-D) has an automated quarterly match with ESD's quarterly wage report and can obtain information upon request. IV-D will follow up on court ordered health insurance or will seek a court order on employed non-custodial parents. TPL information is obtained through data match of majority insurers for court ordered health insurance to be populated into MMIS.

433.138(d)(4) and 433.138 (g)(3)(i) and (iii) (Workers Compensation and Motor Vehicle)

DWSS oversees initial application through single point entry system for Medicaid applications, applicants self-report through a form process; documentation requirement.

THIRD PARTY LIABILITY – IDENTIFYING LIABLE RESOURCES

Worker's Compensation and the Department of Motor Vehicles and Public Safety (DMV&PS) information is not available through Nevada's Department Motor Vehicle and Public Safety.

The DHCFP TPL management is responsible for review and submission of injury accident questionnaires for worker compensation and vehicle accidents. Claims which edit for trauma codes are referred to the Fiscal Agent (FA) Subrogation Unit for follow-up if the billed amount of the claim is greater than the tolerance level. The claim is

reviewed to determine the possibility of other liable parties for claim payment. Managed Care Organizations and the Dental Benefit Administrator are required to data mine Medicaid enrollees through identifying potential casualty claims.

The claim is reviewed to determine if the nature of the trauma is one which warrants follow-up (e.g., a broken leg as a result of a fall in individual's own home versus a traffic accident). If an investigation is not in process or probable liability has not been established at the time the claim was filed, the investigator will begin research to determine if a probable third party is liable. If TPL is not established within 60 days, the claim is processed for payment.

The DMV&PS has a computerized system containing information of individuals involved in accidents, associated injuries for Nevada Highway Patrol reported accidents only. No medical insurance coverage information is reported. (A copy of the letter from DMV&PS is attached.)

433.138(e) (Diagnosis and Trauma Edits)

The Medicaid claims processing system on a per claim basis edits were updated to reflect new International Classification of Diseases (ICD) codes:

The TPL management team reviews to determine if the nature of the trauma is one which warrants follow-up (e.g., a broken leg as a result of a fall in individual's own home versus a traffic accident). If an investigation is not in process or probable liability has not been established at the time the claim was filed, the investigator will begin research to determine if a probable third party is liable. If TPL is not established within 60 days, the claim is processed for payment.

As of 2016, the Centers for Medicare & Medicaid Services (CMS) no longer specifies codes for follow up or reviews. CMS approved State Medicaid Agency (SMA) exemptions of specific codes from none productive trauma code recovery.

433.138(g) (1) (i)
and (g) (2) (i)

Follow-up procedures for identifying legally liable third-party resources:

Within 45 days from application, redetermination, or anytime TPL is discovered, the DWSS collects TPL coverage and incorporates the information into the eligibility case file. The eligibility case file is shared with the DHCFP and used to update MMIS to be used for medical claims adjudication. TPL data is identified, verified and recorded into the MMIS monthly and used to cost avoid claims, as well as for pay and chase recoveries of claim overpayments.

433.138(g)(2)(i) & (ii)

Upon discovery of a liable third party, post payment recovery is sought within 60 days or in the case of legal actions, a lien is filed to protect the State's rights and recoupment of medical payments are sought.

Information regarding probable liability and subrogation is forwarded to the DWSS monthly through a secured HIPAA compliant system. Information is maintained in a secured file by the Fiscal Agent third party recovery unit and/or third-party vendor for subrogation case audits and incorporated into the Medicaid and CHIP third-party data base for claims processing.

The tolerance levels for suspension or termination of recovery efforts are identified in Third Party Liability, Attachment 4.22-B.