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State/Territory Name: Oregon

State Plan Amendment (SPA) #: 17-0004

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Seattle Regional Office
701 Fifth Avenue, Suite 1600, MS/RX-200
Seattle, WA 98104



Division of Medicaid & Children's Health Operations

May 19, 2017

Lynne Saxton, Director
Oregon Health Authority
500 Summer Street Northeast, E-15
Salem, OR 97301-1079

RE: Oregon State Plan Amendment (SPA) Transmittal Number 17-0004

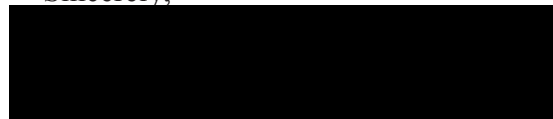
Dear Ms. Saxton:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of Oregon State Plan Amendment (SPA) Transmittal Number 17-0004. This SPA is being submitted to revise medical payment recovery thresholds from a fixed amount of \$0 to the use of cost effectiveness to pursue based upon the claim amount.



This SPA is approved effective January 1, 2017, as requested by the state.

If there are additional questions please contact me, or your staff may contact Bill Vehrs at bill.vehrs@cms.hhs.gov or at (503) 399-5682.

Sincerely,



David L. Meacham
Associate Regional Administrator

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 17-0004	2. STATE Oregon
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Medical Assistance	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE 1/1/17	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 433.139		7. FEDERAL BUDGET IMPACT: a. FFY 2017 \$ 5,420 b. FFY 2018 \$ 7,226	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.22-B, Pages 1, 1-a, 1-b		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.22-B, Pages 1, 1-a, 1-b	
10. SUBJECT OF AMENDMENT: This transmittal is being submitted to revise medical payment recovery thresholds from a fixed amount of \$0 to the use of cost effectiveness to pursue based upon the claim amount.			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The Governor does not wish to review any plan materials. <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE STATE AGENCY OFFICIAL: 		16. RETURN TO: Oregon Health Authority Medical Assistance Programs 500 Summer Street NE E-35 Salem, OR 97301 ATTN: Jesse Anderson, State Plan Manager	
13. TYPED NAME Lori Coyner, MA			
14. TITLE: Medicaid Director, OHA			
15. DATE SUBMITTED: 3/15/17			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 3/15/17		18. DATE APPROVED: 5/19/17	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 1/1/17		20. SIGNATURE 	
21. TYPED NAME: David L. Meacham		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

Requirements for Third Party Liability –
Payment of Claims

- 1) The requirement in 433.139(b)(3)(ii)(C) is met, as follows:

Oregon Administrative Rules and Statutes require providers to bill third parties prior to billing the state Medicaid Agency for medical services provided to Medicaid recipients. Oregon's MMIS has third party edits which prevent the payment of claims when third party insurance is active on the date of service. Medical providers use a third party resource (TPR) explanation code on the claim to communicate that the service involves insurance through the absent parent in a IV-D enforcement case, and that 30 days have lapsed since the date of service, and that the provider has not received payment from the third party resource. The MMIS system will edit for the 30 day requirement. If less than 30 days have lapsed, the claim will be rejected.

The same method is used to meet the requirements contained in Section 433.139(b)(3)(i).

State laws are in effect that require third parties to comply with the provisions of 1902(a)(25)(I) of the Social Security Act, including those which require third parties to provide the state with coverage, eligibility, and claims data.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

Requirements for Third Party Liability –
Payment of Claims

2) The requirement in 433.139(f)(2) is met, as follows:

Where the TPL file in the Medicaid Management Eligibility System (MMIS) has active third party insurance coverage, claims are cost-avoided. In the instances, when third party insurance is not known until after the state has paid a claim the state Medicaid Agency will seek recovery from the third party payer.

After the TPL file is updated in MMIS, recovery efforts are initiated systematically with the primary payer. This process includes sending up to three billing letters within a 120 day window from the date the third party insurance record is created in MMIS. If the payer does not pay our claim, the state Medicaid Agency will review the threshold limits to determine if it is cost effective to continue to pursue the claim amount.

The Medical Payment Recovery Unit (MPR) initially pursues all fee-for-service claims, however there are times when it may not be cost-effective to continue to pursue an unpaid or small dollar claim that is under \$250.00. In those instances, MPR may choose to conduct a cost-effectiveness test to consider the administrative expense vs the likelihood of recovery for the claim. If the recovery amount that can reasonably be expected is less than the administrative cost to pursue the claim, the claim may not be pursued.

TN No. 17-0004 Approval Date 5/19/17 Effective Date 1/1/17
Supersedes TN No. 94-9

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State/Territory: OREGON

Requirements for Third Party Liability –
Payment of Claims

- 3) The requirement in 433.139(f)(3) is met, as follows:

Oregon Medicaid does not accumulate billings by dollar amount or period of time. The weekly Post Payment Recovery System billing cycle is run immediately following the weekly MMIS claims cycle. All fee-for-service bills, regardless of amount of the claim, are billed each month unless payment is not received at which point the Medical Payment Recovery Unit may choose to conduct a cost-effectiveness test for all unpaid claims under \$250.00 to determine if it is cost effective to continue pursuit of payment. All recoveries are sought within the time limits specified in 433.139(d).