



Provider Relations Outreach Specialist

131.000 Charges that Are Not the Responsibility of the Beneficiary

9-1-08

Except for cost sharing responsibilities outlined in Sections 133.000 – 135.000, a beneficiary is not liable for the following charges:

- A. A claim or portion of a claim denied for lack of medical necessity.
- B. Charges in excess of the Medicaid maximum allowable rate.
- C. A claim or portion of a claim denied due to provider error.
- D. A claim or portion of a claim denied because of errors made by DMS or the Arkansas Medicaid fiscal agent.
- E. A claim or portion of a claim denied due to changes made in state or federal mandates after services were performed.
- F. A claim or portion of a claim denied because a provider failed to obtain prior, concurrent or retroactive authorization for a service.
- G. The difference between the beneficiary Medicaid cost sharing responsibility, if any, and the Medicare or Medicare Advantage co-payments.
- H. Medicaid pays the difference, if any, between the Medicaid maximum allowable fee and the total of all payments previously received by the provider for the same service. Medicaid beneficiaries are not responsible for deductibles, co-payments or coinsurance amounts to the extent that such payments, when added to the amounts paid by third parties, equal or exceed the Medicaid maximum for that service, even if the Medicaid payment is zero. The beneficiary is responsible for paying applicable Medicaid cost share amounts.
- I. The beneficiary is not responsible for insurance cost share amounts if the claim is for a Medicaid-covered service by a Medicaid-enrolled provider who accepted the beneficiary as a Medicaid patient. Arkansas Medicaid pays the difference between the amount paid by private insurance and the Medicaid maximum allowed amount. Medicaid will not make any payment if the amount received from the third party insurance is equal to or greater than the Medicaid allowable rate.

If an individual who makes payment at the time of service is later found to be Medicaid eligible and Medicaid is billed, the individual must be refunded the full amount of his or her payment for the covered service(s). If it is agreeable with the individual, these funds may be credited against unpaid non-covered services and Medicaid cost-sharing amounts that are the responsibility of the beneficiary.

The beneficiary may not be billed for the completion and submission of a Medicaid claim form.

Exception: Medicaid does not cover the deductible, co-payments or other cost share amounts levied to Medicare Part D drugs.