

“Beyond TPL – A Florida Case Study”

**Presented by Jennifer Barrett, Administrator, Florida Agency for Health Care Administration
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At the Florida Agency for Health Care Administration (AHCA), the TPL unit undertakes a wide variety of projects in order to identify and realize cost savings and recovery opportunities for the State of Florida. Often working in conjunction with other departments at the State, such as Medicaid Program Integrity (MPI), we undertake initiatives that might be considered “less than traditional” TPL projects if they can bring benefit to the State. During this session, we will highlight several of our recent projects.

Medicare/Medicaid COB

Medicare Part B DMERC Covered Drugs

Medicare B covers a number of different types of “self administered” drugs, such as immunosuppressive, oral anti-cancer, and nebulizer drugs, as well as blood glucose testing supplies. Although AHCA has cost avoided these drugs for some time, some claims paid. In order to recover these payments, we work with providers (pharmacies and physicians) to obtain the information necessary to bill these directly to the DMERC, and have recovered \$9.9m in payments to date as a result of the project (dates of service October 2003 through March 2006).

Medicare Part B Clotting Factor Drugs

The Agency reviews pharmacy claims for dual eligibles to identify any payments for Part B covered drugs that have been made, including blood clotting factor claims. These are very high dollar claims – for instance only five providers resulted in \$789k in payments to be recovered. We then work with providers to have them bill these claims and ensure that they do it correctly. A key is to have logic in place that avoids identifying “false positives.”

Medicare/Medicaid Duplicate Payments – Home Health

The Agency had been performing its own version of the Medi-Medi project for a number of years when Medicare Adjudicated Claims data was available to the States, and recovered millions of dollars under that initiative. We still do these projects, but now have to use Medicare Crossover/Coordination of Benefits claims in lieu of Medicare adjudicated claims.

One new twist on this is that we were able to obtain a set of Medicare Home Health Adjudicated claims. We matched those to Medicaid Home Health payments and identified \$1.2m in overlapping payments. We are currently working with providers to determine the appropriateness of these payments.

Commercial Insurance/Tricare

Legislative Changes

The Agency is very active in working with the legislature to propose and effect legislative changes that positively impact our ability to obtain commercial insurance eligibility information and to require carriers to adjudicate Medicaid Subrogation Claims.

Employer Wage Files and New Hire File

We use these files to produce leads to additional insurance coverage.

Credit Balance/Overpayment Projects

Provider Audits

As in many states, AHCA operates a successful hospital credit balance audit program. One of the slightly unique things that we do is that we have encouraged our TPL contractor to utilize multiple subcontractors in the execution of this project. This has fostered a competitive atmosphere among the subcontractors and, we believe, helps keep the vendors “on top of their game.”

For Nursing Home audits, we actually had a competition between two subcontractors, with the vendors taking 20 facilities each. The pilot resulted in \$2.3m in recoveries, with additional recoveries still in process. Both vendors actually performed very well and we are determining how to proceed.

Provider Self Audits

The Agency routinely encourages providers to review their billings and payment history for any outstanding credit balances. We provide them with a regular process for them to report and adjust these credit balances, resulting in more than \$6m in recoveries to date. The providers we have contacted are hospitals, renal dialysis centers, nursing homes, physicians and other provider types such as dentists and hospice providers.

Medicaid Overpayments

The Agency undertakes a variety of overpayment identification “desk audit” projects, such as:

- Date of Death Projects (\$13M in recoveries for dates of service January 1991 through current)
- Mother/Newborn Erroneous Payments
- Medicaid Duplicate Payments
- 45-Day Inpatient Maximum Per State Fiscal Year
- Medicaid/Medicare Overlapping or Duplicate Payments
- Outpatient Payments During Inpatient Stay

Other Projects

J-Code Rebates

We assist the Pharmacy unit in identifying and obtaining additional Medicaid rebates for drugs billed to Medicaid using HCPCS/State codes. In order to invoice Drug Manufacturers for rebates, these codes must be crosswalked to National Drug Codes. Although the pharmacy unit has a Drug Rebate contractor that does traditional single source code crosswalking, we have realized an additional \$7.7m in rebates by working with the data and providers to crosswalk:

- Single Source extended claim types (Medicare crossovers, hospital claims)
- Multi-Source drugs
- Epogen

Medicaid Reform Opt-Out Program

Developed a program/system for handling beneficiaries who choose to opt out of Medicaid into employer-sponsored insurance. Our contractor has begun to field calls from individuals interested in the Opt Out program.

For additional information, please contact:

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