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9.0.01 Casualty and Tortfeasor

Casualty and Tortfeasor Overview

Medicaid casualty recovery programs seek to recover funds paid by the program on behalf of injured clients and those pursuing financial damages from liable first and third parties. These parties include insurance companies, corporations, individuals, or any person or entity. Arizona Revised Statutes Section 12-962 and Chapter 42 of the Code of Federal Regulation (CFR) address Medicaid's right to recover these funds.

AHCCCS will continue to benefit from our more than 25 years of experience in working with state Medicaid agencies to implement and manage their casualty and tortfeasor programs**. HMS is the national leader for Medicaid subrogation recovery.** As the incumbent vendor, there will be no lengthy implementations, allowing the State to have an uninterrupted stream of recoveries and avoid risking over $296,000 in recoveries. Casualty and tortfeasor programs are a core Medicaid recovery initiative and our solution provides several significant operational and strategic advantages for our clients in this area.

HMS's Casualty and Tortfeasor Recovery Success for Arizona

As an experienced TPL services contractor in Arizona, HMS has already developed an operational and successful Medicaid casualty and tortfeasor recovery program that has proven results and enhanced recoveries. **In that time, we have developed a referral network of attorneys, health providers, program contractors, and liability insurers and returned over $77 million to AHCCCS**. In short, HMS is the only contractor able to offer continuity of recovery processes from the date of contract award.

Arizona-Specific Knowledge

[redacted]

HMS account managers and staff caseworkers have over 12 years of PMMIS experience and knowledge. AHCCCS would have to invest PMMIS resources the first year of the new contract on training a new vendor to meet all RFP SOW requirements.

[redacted]

In the following sections, we provide our method of approach for meeting AHCCCS and the State of Arizona's scope of work and continuing to provide industry leading casualty and tortfeasor services. Also, in response **Section 9.1** we provide a quick reference cross-walk to the requirements from AHCCCS's scope of work.

HMS CASUALTY AND TORTFEASOR RECOVERY PROCESS

[redacted]

[redacted].

Figure 9.0.01-1. [redacted]

[redacted]

[redacted]

AHCCCS Compliance Check

Intake Referral

Maximizing casualty and tortfeasor-related TPL recoveries begins with an effective approach to identifying and verifying cases to pursue. HMS seeks recovery on all accident or injury inpatient care, outpatient care, professional claims, home health care, nursing home care, pharmacy, medical equipment, dental, vision, and medical transportation.

- [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]
  - [redacted]

After we identify a potential case through one of the processes described above, we verify that the named party was eligible for Medicaid services on or after the date of the incident.

Identifying Casualty Cases through Claims Analyses

Our dedicated Subrogation IT team performs analyses of AHCCCS's paid claims file to identify casualty recovery opportunities. Our analyses include a review of accident-related ICD-10 diagnosis codes that yields greater recovery opportunities and minimizes member abrasion.

[redacted]

[redacted]

- [redacted]
- [redacted]

[redacted]

[redacted]

[redacted]

- [redacted]

HMS worked with AHCCCS to develop clearly-written questionnaires in order to increase response rates.

Identifying Casualty and Tortfeasor Cases through Data Matches

As AHCCCS's current provider of TPL identification and recovery services, we have data-match processes already in place and producing leads every quarter that have generated over $421,000 in WC recoveries. We rely on a range of organizations and entities with which to match eligibility data for case-identification purposes. Once identified, we verify casualty and WC recovery cases, and then our dedicated Subrogation Casualty Workers Compensation teams pursues recovery.

[redacted]

HMS's Claims Selection Goes Beyond Simple Member Identification

[redacted]

IDENTIFYING CASUALTY AND TORTFEASOR CASES THROUGH REFERRALS

As the incumbent, HMS has established a strong network of contacts with the legal community, MCOs, provider community, insurance companies, and other project stakeholders.

Figure 9.0.01-2. [redacted]

[redacted]

[redacted]

Figure 9.0.01-3 [redacted]

[redacted]

REFERRALS FROM ATTORNEYS

HMS maintains a database of licensed attorneys throughout the nation. We solicit updates from the Arizona Bar Association to ensure that our data is accurate and up to date, and we use Contact Letters and brochures to remind attorneys of their obligation to notify AHCCCS when they represent a Medicaid member in a casualty/tortfeasor case. We also encourage attorneys to ask their clients if they are receiving Medicaid during their case intake process so they can notify us of potential reimbursement as early as possible in the casualty recovery process.

[redacted]

HMS INNOVATION: SOLARIS AUTOMATED REFERRAL PROCESSING AND CASE CREATION

[redacted]

[redacted]

Referrals from Insurance Companies

HMS maintains a database of insurance companies, casualty insurance carriers, and individual claims adjusters. Through various communication efforts, we remind them of their responsibilities to cooperate with AHCCCS and ensure that Medicaid is the payer of last resort and receives reimbursement for services that the insurer is liable to pay. We perform periodic outreach to solicit lead information from insurance companies and their representatives. We work with insurance companies to insert requirements into their claim-settlement documents for notification of the Medicaid program and payment of the healthcare services claim upon settlement of the insurance claim. We also continue pursuing malpractice and WC carriers as lead sources.

Referrals from Medicaid Members and their Family Members

We conduct outreach to Medicaid members or their legal representatives by sending case information letters with a questionnaire requesting additional information when one of our referral sources indicates a possible casualty recovery case. We also process lead information resulting from telephone calls from members and/or their families.

In all instances, we process referrals within five business days of receipt.

Verify Eligibility

All referrals are required to be submitted to HMS (the AHCCCS-authorized representative) for review and approval to process. MCOs may not pursue recovery on casualty claims until they receive written authorization from HMS that the case is a Total/Dual Plan.

Figure 9.0.01-4. [redacted]

[redacted]

REVIEW CLAIMS

[redacted]

VALUE CLAIMS

[redacted]

- [redacted]
- [redacted]
- [redacted]

[redacted]

- [redacted]
- [redacted]

GENERATE CORRESPONDENCE

As the incumbent, all correspondence used has been approved by AHCCCS and is programmed in our system. Correspondence to members is available in both English and Spanish.

[redacted]

Table 9.0.01-1. [redacted]

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Figure 9.0.01-5. [redacted]

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Figure 9.0.01-6. [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

MAIL CLAIM/FILE LIEN

[redacted]

COORDINATING THE NEGOTIATION/SETTLEMENT

[redacted]

[redacted]

[redacted]

FAIR HEARING PROCESS

If the liable third party is not satisfied with AHCCCS's best and final offer, they have the opportunity to request a State Fair Hearing. Information on how to request a Fair Hearing is provided when the best and final offer is communicated to the attorney or other liable third party. [redacted] A less-experienced vendor may not understand the nuances of Arizona's casualty/tortfeasor environment, thus negatively impacting State resources.

If the attorney or insurance company handling the case still does not make payment in a timely manner, we work with AHCCCS to determine best steps and obtain recovery. If appropriate, the case will be referred to the AHCCCS approved outside counsel for further action.

OVERSEEING COLLECTION/RECOVERIES

[redacted]

[redacted]

As the incumbent vendor, HMS already has the procedures in place to accomplish these tasks and will continue to refine this process as needed.

Closing the Case

Casualty Recovery Reporting

For additional information, please see **Attachment 3 Periodic Reports**.

Fully Functional Implementation Processes Timeline

Because HMS is currently providing the casualty recovery scope of work described in the RFP on behalf of AHCCCS, all service processes and resources are currently implemented and producing valuable results. Therefore, HMS's casualty recovery processes will be fully functional to conduct casualty recoveries and WC recoveries starting on Day One of the forthcoming contract term. Since all efforts are fully established, we do not require a "start-up" phase during which systems would normally be defined, tested, and rolled out. For additional information, please see **Attachment 4 Draft Implementation Plan**.

HMS's Case Management Solution - Maestro

Under our existing contract, HMS employs our web-based case management system, Maestro, to facilitate, track, report, and manage cases throughout the Casualty/Tortfeasor Recovery process. We propose to continue using this system for AHCCCS's upcoming engagement.

In the next section, we highlight some specific functionalities of Maestro as it relates to the Casualty/Tortfeasor Recovery process.

Figure 9.0.01-7. [redacted]

[redacted]

CASE MONITORING

[redacted]

[redacted]

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