

Optometry Coding & Billing Alert

Reader Questions: Write Off Medicaid Secondary Balances

Question: A patient has a Medicare replacement plan and then has Medicaid as secondary insurance. On one of her claims Medicare paid more than the allowable by Medicaid. Therefore, Medicaid will not pay. The patient has a \$33.00 balance. Do I adjust the amount or bill the patient?

South Carolina Subscriber

Answer: You have to write off the \$33 outstanding balance. You cannot bill the Medicaid patient.

Keep in mind: Medicaid patients are also not responsible for the Medicare deductible or the 20-percent coinsurance when Medicare has paid more than the Medicaid allowable for the service, even though Medicare has only paid 80 percent of its allowable and may have deducted the patient's outstanding deductible from that payment.

However, if Medicare has subtracted the patient's deductible from the physician's payment, and the total payment is less than Medicaid's allowed charge for the service, Medicaid should pay that portion of the deductible up to the Medicaid allowable amount.

Some variations of Medicaid, such as state Medicaid expansion programs for children or low-income working families, and some Medicaid managed-care programs have a "patient share of cost," in which the patient has a small payment responsibility.

To find out if a patient share of cost applies, and how it works, ask your carrier's provider relations department.

Additionally: HIPAA allowed individual states to decide if they would pay the copays and deductibles after Medicare if Medicare's payment equaled or exceeded what the Medicaid program would have paid. So, if your state decided to not make these secondary payments, you have no recourse and must write off the balances for these Medicaid secondary patients.

-- Answers to You Be the Expert and the Reader Questions reviewed by **David Gibson, OD, FAAO**, a practicing optometrist in Lubbock, Texas.