



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

DIVISION OF DEVELOPMENTAL DISABILITIES

Sent on Behalf of DES/DDD

TPL WAIVER REQUESTS WITH PRIMARY PAYER DISCOUNTS

Target Audience - Qualified Vendors and Providers

Transmittal Date - 01/18/2022

Per the [AHCCCS Provider Participation Agreement](#) and [DDD Provider Policy Manual Chapter 12](#), all Qualified Vendor Agencies agree to comply with AHCCCS guidelines and policies. Participation in the Arizona Medicaid program as a DDD Qualified Vendor requires Qualified Vendors to agree to bill DDD only after third-party payers have adjudicated the claim. Qualified Vendors should not bill, nor attempt to collect payment from DDD members. Qualified Vendor Agencies shall submit claims for \$0.00 due.

Special payment arrangements with Primary Payers (commercial insurance plans) are prohibited practice and will be referred for Fraud, Waste and Abuse (FWA) investigation. These arrangement include but are not limited to:

- Quick payment discounts (i.e. 10% payment reduction for timely payments)
- \$0.00 payment for specific CPT® or HCPCS codes (i.e. \$0.00 for 92507; \$0.00 for E2599)

COBV Waiver Requests submitted without having third-party payers adjudicate the claims first will be denied.

As outlined in [DDD Provider Policy Manual Chapter 20](#), "Per 42 CFR 455.2, Abuse means provider practices that are inconsistent with sound fiscal, business, or medical practices and result in an unnecessary cost to the Medicaid program, or in reimbursement for services which are not medically necessary or that fail to meet professionally recognized standards for health care." Providers agreeing to zero or reduced payment from the Primary Payer does not increase DDD's, nor the member's liability for payment. Provider agreement to discounted rates or zero payment for services is inconsistent with sound fiscal business practices and will be reported to DDD's Program Integrity Unit and/or the AHCCCS Office of the Inspector General (OIG).

[DDD Provider Policy Manual Chapter 57](#) outlines the Qualified Vendors responsibility in receiving a clean denial before submitting a COBV Waiver Request to DDD:

- The Qualified Vendor must receive a clean denial from the primary insurance company or companies (more information regarding waiver processing is available in Chapter 57-E DES/DDD Waiver Request).
- The Division/AHCCCS makes payments to Qualified Vendors on behalf of members for medical services rendered, but only to the extent that the member has a legal obligation to pay. This means that if a Division member has third party insurance, the Division's payment will be limited to the member's responsibility (usually the deductible, copay and/or coinsurance).