



Sent on Behalf of DES/DDD

UPDATES ON THIRD PARTY LIABILITY (TPL) BILLING REQUIREMENTS

Target Audience - Qualified Vendors and Providers

Transmittal Date - 05/28/2025

Third Party Liability (TPL)

Qualified Vendors have reported claim denials for Third Party Liability (TPL) mainly impacting therapy, nursing, and home-health services. As a reminder, Medicaid is the payor of last resort and as outlined in [Provider Manual Chapter 57](#), Qualified Vendors “shall coordinate benefits with Third Parties to ensure costs for services otherwise payable by the Division are Cost Avoided or recovered from a liable Third Party.” On April 4, 2025, the Division enhanced its claims edits to validate claims requiring TPL adjudication.

On May 23, 2025, the Division coordinated with AHCCCS and aligned its TPL claim edits to match AHCCCS PMMIS data requirements for all DDD services. Vendors will no longer experience claim denials for TPL for the following DDD Services: S5165, T2016, T2017, T2019, T2021, and T2040. TPL billing is not required for these DDD services. **Qualified Vendors who received denials on these claim types must resubmit those claims to be processed.**

Medicare and Medicaid Dual Eligibility TPL

The Division supports members who are dually eligible for Medicare and Medicaid. In these situations, Medicaid continues to be the payor of last resort, making Medicare the primary payer. The following Division services are covered by Medicare (HCPCS or CPT® Codes): 90837, 92507, 92523, 92526, 92607, 92608, 92609, 92610, 97153, 97162, 97166, 97530, 97535, G0299, and G0300.

Additionally, Provider Type 23-Home Health Agencies are required to submit claims to Medicare first when providing services to dually eligible members. Provider Type 95- Non-Medicare Certified Home Health Agencies, will have an automatic TPL waiver entered. **Qualified Vendors who received denials on these claim types must resubmit those claims to be processed.**

Finally, AHCCCS recently updated Master Carrier Identification (MCID) numbers. When reporting TPL **commercial carrier** coverage information, vendors can verify current MCID numbers on the [AHCCCS Online Provider Website](#). **Medicare, including Part A, B, C, or D**, MCID numbers need to be re-verified in FOCUS.

Qualified Vendors with questions should review [Division Operations Policy Manual 434 Coordination of Benefits and Third Party Liability](#) or contact the DDD Customer Service Center by phone, 1-844-770-9500 option 1, or email, dddcustomerservice-providers@azdes.gov.