



**Commonwealth of Massachusetts**  
*Executive Office of Health and Human Services*  
**Department of Transitional Assistance**  
600 Washington Street • Boston MA 02111

William F. Weld  
Governor  
Argeo Paul Cellucci  
Lieutenant Governor

Gerald Whitburn  
Secretary  
Joseph Gallant  
Commissioner

**Field Operations Memo 96-18**  
**July 1, 1996**

**TO:** Local Office Staff  
**FROM:** Joyce Sampson  
Assistant Commissioner for Field Operations  
**RE:** Third Party Liability

### **INTRODUCTION**

Rising health care costs have made health benefits a necessity rather than a privilege. Subsequently, people are making employment decisions based on the accessibility of medical coverage.

Quite often it is the Division of Medical Assistance (DMA) which provides medical coverage to our recipients through its MassHealth program. However, DMA is the payer of last resort and does not pay for services until all other potential forms of insurance payment have been exhausted.

Increased access to private health insurance will greatly reduce the burden to Medicaid and other governmental health programs. Therefore, by accurately identifying and reporting any source of Third Party Liability (TPL) or potential TPL, to DMA, you assist the Commonwealth in saving millions of dollars and DTA recipients' transition to self sufficiency.

To effectively identify TPL, the *Third Party Liability Indicator* (TPLI) form (see Attachment A) has been revised. Once the TPLI form is completed, a copy must be filed in the case record and the original and attachments, if appropriate, sent to DMA.

### **IDENTIFYING TPL**

Discuss health insurance and TPL with an applicant or recipient during the application interview, eligibility review, or whenever there is a change in circumstances that could affect TPL, such as the recipient begins employment. Potential sources of TPL include, but are not limited to:

1. commercial insurance purchased independently or through an employer,
2. medical support from an absent parent,
3. Medicare,
4. school-based insurance,
5. union sponsored insurance, or
6. CHAMPUS (military benefits).

## REPORTING TPL

If an applicant or recipient has health insurance or other TPL, ask to see an insurance card and make a copy of both sides of the card (for every family member applying). If the applicant or recipient is unable to produce a card, ask him or her to provide the following information:

1. the name of the policyholder,
2. the policyholder's SSN,
3. the name of the insurance company,
4. the policy number,
5. the policy type,
6. the effective date of the policy, and
7. the employer's name and address, if applicable.

Complete a *Third Party Liability Indicator* (TPLI) form during the application process or at eligibility review. Completing the TPLI form has been made easier. Copies of certain pages from the CMA-1 or AFDC-RD can now be attached instead of having to write out all the TPL and assistance unit information. File a copy of the completed TPLI form in the case record and send the original and attachments, if appropriate, to:

Division of Medical Assistance  
Third Party Liability Unit  
PO Box 9209  
Boston, MA 02209

## THE HEALTH INSURANCE BUY-IN PROGRAM

DMA has a buy-in program that will pay monthly health insurance premiums for individuals who: (1) have access to group health insurance, **AND** (2) are eligible to receive, or has a family member who is eligible for, Medicaid benefits. To be eligible for the program, a family member must *currently* be receiving Medicaid benefits. Additionally, the purchase of this insurance must be determined cost-effective to DMA.

The Buy-In Program purchases insurance for working recipients who cannot afford the insurance offered by their employer. Providing benefits to support recipients who work helps them in their transition to self-sufficiency.

If an individual's current or former employer offers health insurance for which the individual is eligible, but *unable* to afford the premium payment, have the individual call DMA's Health Insurance Buy-In Program at **1-800-462-1120** or **(617) 348-5310** to explore eligibility. The TAFDC/AFDC recipient may complete the Buy-In Program application over the phone or an application form can be mailed out.

## **QUESTIONS**

If you have any questions about completing the TPLI form, please have your Hotline designee call the Third Party Liability Unit at (617) 348-4027. If you have other questions regarding this memo, please have your Hotline designee call DTA's Policy Hotline at (617) 348-8478.



# Third Party Liability Indicator

Date: \_\_\_\_\_

Casehead: \_\_\_\_\_  
(last, first)

SSN: \_\_\_\_\_

Phone #: (\_\_\_\_) \_\_\_\_\_

Worker's Name: \_\_\_\_\_

CAN#: \_\_\_\_\_

Phone #: (\_\_\_\_) \_\_\_\_\_

- add new insurance policy   
  change current policy   
  absent parent insurance   
  COBRA Buy-In   
  health insurance Buy-In

## Questions

## Requirements

Do you or does anyone else in your family have health insurance?  
 yes     no    If no, continue down ...

### If yes then ...

- Make copies of insurance cards (of all family members covered, if available) and attach to this form. Indicate "add new insurance policy" above.

Copy Attached  
 yes     no

- If insurance cards are not available, **copy page 2** of CMA-1 Application form and attach to this form **with reverse side completed.**

Page 2 Attached  
 yes     no

Have you (or spouse) been enrolled in an employer-based insurance and left employment within the last 90 days?  
 yes     no    If no, continue down ...

- Make copy of **page 2** of the CMA-1 Application form and attach to this form **with reverse side completed.** Indicate "COBRA Buy-In" above.

Page 2 Attached  
 yes     no

Is there an absent parent responsible for, or court-ordered to provide, health care coverage?  
 yes     no    If no, continue down ...

- Make copies of insurance cards if currently covering and attach to this form.

Copies 2 Attached  
 yes     no

Is there an absent parent not currently covering dependents but has the ability to do so?  
 yes     no    If no, continue down ...

- Attach **pages 7 & 8** (pink copies) of the CMA-1 Application form to this form. Indicate "absent parent insurance" above.

Pages 7 & 8 Attached  
 yes     no

Are you (or spouse) employed with access to employer-based health insurance but **cannot** afford the premium payments?     yes     no

- Make copy of **page 2** of the CMA-1 Application form, attach to this form. Indicate "health insurance Buy-In" above.

Page 2 Attached  
 yes     no

**At the eligibility review**, is there any change in health insurance status (added dependent, coverage change, policy termination, etc.)?  
 yes     no

- Make copies of **page 1** and any other appropriate pages of the AFDC-RD form and attach to this form. Indicate "change in current policy."

Copies Attached  
 yes     no

Put a photocopy of this form in the case record. Send the original of this form and attachments to:  
**Third Party Liability Unit, P.O.Box 9209, Boston, MA 02209**

# Third Party Liability Indicator

Page 2

## 1. Health Insurance Information (Complete this for all persons in this case, except Medicare enrollees.)

Policy Holder's Name (last, first)		Relationship to Case Name	Insurance Company Name	Policyholder's SNN
Employer Name	Employer Address		Employer Phone #	
____/____/____	____/____/____	Policy Type: _____ Single _____ Family	_____	_____
Policy Start Date	Policy End Date (if applicable)	_____	Policy Number	Group Number

## 2. Dependents Covered by the Health Insurance Plan

Name	SSN	Date of Birth	Current Medicaid Recipient ?	
			Y	N
_____	_____	____/____/____	_____	_____
_____	_____	____/____/____	_____	_____
_____	_____	____/____/____	_____	_____
_____	_____	____/____/____	_____	_____
_____	_____	____/____/____	_____	_____
_____	_____	____/____/____	_____	_____
_____	_____	____/____/____	_____	_____
_____	_____	____/____/____	_____	_____

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