

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

### **102.08.05 ASSIGNMENT OF THIRD PARTY RIGHTS – GENERAL**

Federal law requires that all Medicaid applicants and recipients must, as a condition of eligibility, cooperate with the Medicaid Agency in identifying, to the extent they are able, potentially liable insurers and other third parties who may be liable to pay for care and services covered by Medicaid. Cooperation includes repaying any monies to the Medicaid Agency received from a third party source to the extent that Medicaid has paid for the covered service.

By accepting Medicaid each applicant/recipient is deemed to have made an assignment to the Medicaid Program of his rights to medical support or any third party benefits, including hospitalization, accident, medical or health benefits owed to the individual, as well as rights to such benefits owed by any third party to the children or any other person for whom the applicant/recipient has legal authority to execute such an assignment.

#### **Requirements**

As a condition of eligibility each applicant/recipient must:

- Assign to the state his individual rights to medical support and other third party payments, and such rights of any other eligible individuals for whom he has legal authority;
- Cooperate in establishing paternity and obtaining medical support or payments, when applicable, and
- Cooperate in identifying and providing information to obtain third party payments.

#### **Automatic Assignment Of Third Party Rights**

Although assignment of third party rights is automatic, the applicant/recipient must be informed of the requirement. The ABD and FCC application forms contain the mandatory assignment of rights statement in the section of the form requiring the signature of the applicant, recipient, head of household or designated representative. When an interview is completed, an explanation must be provided to the individual who is assigning rights to third party payments for medical care as a condition of eligibility for Medicaid. The individual's signature on the application form at initial application and each redetermination of eligibility acknowledges the automatic assignment of all third party rights.

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### **Failure to Cooperate With Third Party Assignment**

The Third Party Liability (TPL) Unit has the responsibility for determining if an individual has failed, without good cause, to cooperate with assignment of third party rights. If the TPL Unit determines there was good cause for failure to cooperate, the individual will be exempted from the cooperation requirement. However, a determination of failure to assign rights or lack of cooperation in obtaining third party payments, without good cause, will result in denial or termination of Medicaid benefits after affording the right to appeal.

If the TPL Unit determines an individual has failed, without good cause, to cooperate with third party assignment, Enrollment will be notified. In turn, the appropriate Regional Office will be notified of the action needed to deny or terminate eligibility.

Advance notice must be issued to terminate eligibility; however, the individual has the right to a hearing. All appeals regarding failure to cooperate with the TPL Unit must be handled through a state hearing request.

When benefits are terminated due to failure to cooperate with TPL, the Regional Office will be notified of the period of ineligibility. If the cooperation issue is resolved with TPL, the Regional Office will be notified of the action necessary to restore eligibility.