

FINANCIAL MANAGEMENT 2.0

Accounts Receivable -- 2.7

Collecting 3rd-Party Deductibles--2.7.b

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POLICY

For patients with 3rd party coverage (including TennCare) who must meet a deductible before their plan will reimburse for services, any deductible amount due, as shown on the remittance advice from the insurance company, will be transferred to the patient with no slide applied.

APPLICABILITY

This policy applies to Local Health Department and Regional Office personnel.

PURPOSE

To maximize resources.

PROCEDURE

1. If the patient must meet a deductible before a 3rd party payor will reimburse for services, this information will be shown on the Remittance Advice (RA) received from the insurer when a claim has been submitted.
2. When posting payment from the RA, the deductible amount should be transferred to private pay.

3. For TennCare patients, the adjust code "57" (transfer with no slide) should be used when transferring the deductible to the patient, since their income has already been used to determine the amount of their liability.
4. The deductible amount due would be billed to the patient the next time private pay bills are run.

REFERENCE DOCUMENTS

1. [Rules of the Department of Health, Chapter 1200-17-2.](#)
2. [Rules of the Department of Finance and Administration, Division of Accounts, Chapter 0620-1-9](#)
3. [Medicare Provider Reimbursement Manual, Part I, Section 310](#)

OFFICE OF PRIMARY RESPONSIBILITY

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