

Filing for Conditional Payment

A provider may file for conditional payment from Medicare for services for which another payer is responsible. If payment has not been made or cannot be expected to be made promptly from the other payer, Medicare may make a conditional payment, under some circumstances, subject to Medicare payment rules. *Conditional payments are made subject to repayment when the primary plan makes payment.*

There are two (2) scenarios under which a provider may file for conditional payment:

1. No payment received from a Group Health Plan (GHP)
2. No prompt payment from liability insurance (payment not received within 120 days)

Group Health Plan (GHP) Conditional Payment

Providers are required to submit documentation when requesting a group health plan conditional payment when **one** of the following situations applies:

- The primary benefits have exhausted.
- The services are not covered under the primary plan.
- The services were applied to the deductible or coinsurance.

When filing for conditional payment in relation to a GHP, you will want to follow these guidelines:

1. **Complete the “Conditional Payment Request Form”** located on the Palmetto GBA Web site (www.PalmettoGBA.com) under “Forms” and submit a copy of the Explanation of Benefits (EOB)/denial to:

**Palmetto GBA
Medicare Part A Claims Department
Mail Code: AG-600
PO BOX 100238
Columbia, SC 29202-3328**

2. Enter Value Code 12, 13, or 43 (when there has been no GHP payment)-- six zeros should be entered in the amount field (0000.00).
3. Enter the name of the employer insurance that is primary to Medicare in FL 50, along with payer code "C."
4. Enter the name of the individual carrying the insurance in FL 58.
5. Enter the patient's relationship to the insured individual in FL 59.
6. Enter Occurrence Code 24 along with the date of the of the primary payer's rejection notice.

Note: Once the Request for Conditional Payment Form and the EOB have been sent to Medicare, your claim will be worked out of Return to Provider (RTP) status. **Please do not suppress the claim.** Documentation that has been received will be returned to the provider if the claim has been suppressed.

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Liability Insurance Conditional Payment

When filing for conditional payment in relation to no prompt payment from a liability insurer, follow these guidelines:

1. **DO NOT complete the “Conditional Payment Request Form” or submit an Explanation of Benefits (EOB)/denial** when requesting conditional payment under liability insurance.
2. Enter Value Code 47 (when there has been a delay in the liability payment)-- six zeros should be entered in the amount field (0000.00).
3. Enter the name of the other insurance that is primary to Medicare in FL 50, along with payer code "C."
4. Enter the name of the individual carrying the insurance in FL 58.
5. Enter the patient's relationship to the insured individual in FL 59.
6. Enter Occurrence Code 01 indicating that liability insurance due to an accident is sought (along with the date of the accident).
7. Enter Occurrence Code 24 along with the date of the EOB denial or the date of service to indicate that 120 days have elapsed with no payment from the other insurer.
8. Enter in Remarks any information you have related to the liability insurer.

Resources

1. [CMS Manual System, Publication 100-05, Chapter 5, Section 40.3](#)
2. [CMS Manual System, Publication 100-05, Chapter 5, Section 40.3.2](#)
3. [CMS Manual System, Publication 100-05, Chapter 5, Section 40.6](#)
4. [CMS Manual System, Publication 100-05, Chapter 5, Section 40.6.1](#)
5. [CMS Manual System, Publication 100-05, Chapter 5, Section 40.6.2](#)
6. [Palmetto GBA Request for Conditional Payment Form](#)

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