Third Party Liability (TPL) Contract

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What does this appropriation support?

It provides payments for contracted TPL recovery activities. By identifying other insurance carriers, Medicaid is able to cost avoid or recover costs already incurred.

The current contractor is Health Management Systems. The contractor is paid for its services on a contingency basis through a portion of cash recoveries. The contractor is working on several special one-time projects for recoveries approved by the division.

What are the expenditures?

	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Planned
GR	$0	$0	$0	$0
FEDERAL	$881,404	$1,184,418	$929,877	$3,000,000
OTHER	$881,404	$1,184,231	$929,271	$3,000,000
TOTAL	$1,762,808	$2,368,649	$1,859,148	$6,000,000

What are the sources of other funds?

Third Party Liability Collections Fund

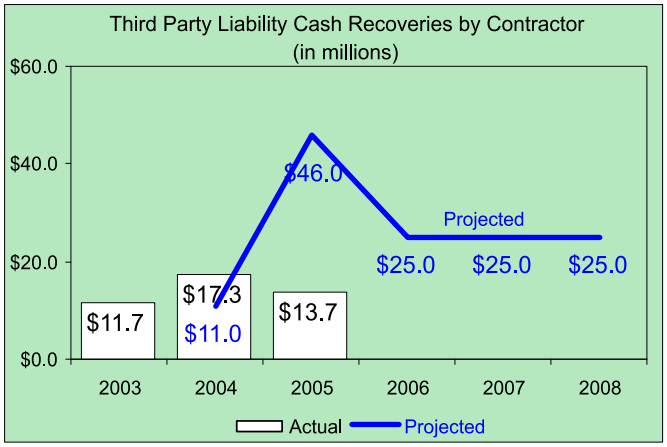
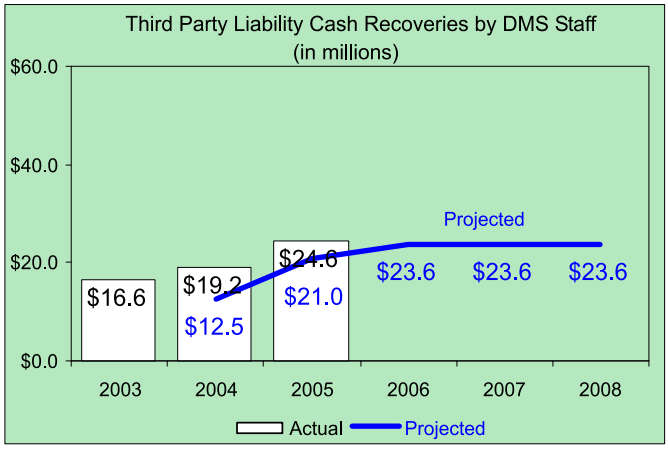
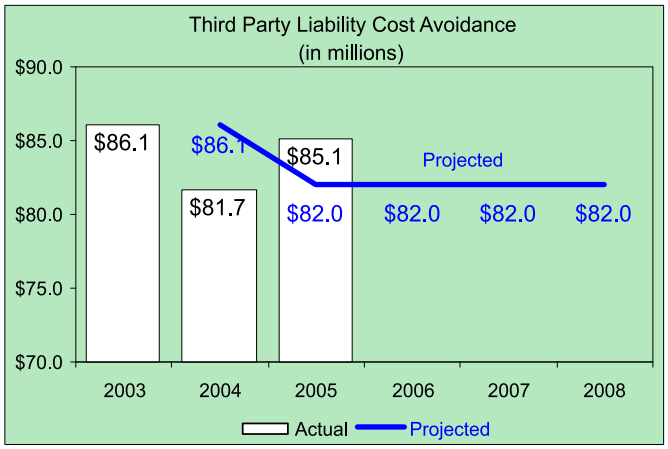
Are there federal matching requirements?

Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn $0.50 in federal funding.

What is the authorization for this program?

State statute: RSMo. 208.153, 208.215; Federal law: Social Security Act, Section 1902, 1903, 1906, 1912, 1917; Federal regulation: 42 CFR 433 Subpart D

Is this a federally mandated program?

Yes, if cost effective. In order to not pursue a TPL claim, the agency must obtain a waiver from CMS by proving that a cost recovery effort is not cost effective.

Efficiency and Effectiveness Measure: