n05741

Subrogation Policy

Values

Accountability ● Integrity ● Service Excellence ● Innovation ● Collaboration

Abstract Purpose:

This reimbursement policy outlines Network Health's process, for all lines of business, for subrogation related claims.

Policy Detail:

Subrogation is defined as a loss against a member which was caused by a negligent act of a third party. Typically, this involves non-medical insurers, such as property and casualty, homeowners, and automobile carriers.

Subrogation claims where there may be a third-party liability or other insurance coverage should be submitted directly to Network Health for claims processing.

Example: Automobile accident or accidents resulting on/from other property.

Network Health will deny claims if third party liability applies. The provider is entitled to pursue compensation from the third party. Third parties include:

- Liability
- Workers' compensation
- Uninsured
- Under insured motorist policy proceeds

I. Claim Submission:

A. Providers are required to indicate on the claim form that the service is related to an automobile or other accident.

B. If the claim is identified as a subrogation claim, it will be forwarded to a subrogation vendor to review and verify the accountable third-party payer.

C. If the claim is denied for third party liability, the provider must contact Network Health's subrogation vendor at 800-529-0577 to discuss the available funds from the third party.

D. The provider is responsible for submitting the claim according to the timely filing requirements outlined in their contract with Network Health, and Network Health's Claim Submission Policy.

II. Authorization Requirements:

A. The provider is responsible for obtaining all prior authorizations prior to rendering services.

B. Network Health is unable to predict how other carriers will process the claims. Obtaining authorization prior to rendering services helps to ensure coverage in the event the other carriers deny liability.

III. Subrogation Process Prior to DOS 1/1/2024:

A. Network Health receives a monthly refund check from our subrogation vendor for monies they have collected from third party liability carriers.

B. Network Health reviews all paid subrogation related claims for the member(s) identified in the monthly refund check to determine which, if any, are included in the payment from the subrogation vendor.

C. The identified claim(s) are reprocessed and set to a Deny status.

D. The subrogation refund is ***applied*** to the payment of the identified claim(s).
   1. The payment amount is not being recouped by Network Health, and the original payment remains with the provider.

E. The provider remittance advice will indicate the subrogation adjustments with Remittance Advice Remark (RARC) Codes:

   1. 9033 "*Subrogation Recovery Adjustment*" and
   2. 9037 "*A check has been received from Ingenix and applied to these charges. This payment is not being recouped*"

F. The provider is able to view the subrogation adjustment by going to the Payment Adjustments section located at the end of the provider remittance.

IV. Subrogation Process After DOS 1/1/2024:

A. Network Health receives a monthly refund check from our subrogation vendor for monies they have collected from third party liability carriers.

B. Network Health reviews all paid subrogation related claims for the member(s) identified in the monthly refund check to determine which, if any, are included in the payment from the subrogation vendor.

C. The subrogation refund is ***applied*** to the payment of the identified claim(s).

D. The identified claim(s) **are not** reprocessed/recouped, and the original payment remains with the provider.

Related Policies:
Claim Submission Policy
Workers' Compensation Submission

Origination Date: 6/1/2020
Update Date: 2/25/2025
Next Review Date: 2/25/2026