

STATE OF NEBRASKA

DEPARTMENT OF INSURANCE

L. Tim Wagner

Director



Dave Heineman
Governor

June 14, 2007
CB-107 (Amended)

BULLETIN

SUBJECT: RESPONSE TO NEBRASKA MEDICAID INFORMATION REQUESTS REQUIRED

LB 589, which became operative September 4, 2005, requires insurers, at the request of the Nebraska Department of Health and Human Services, to provide coverage information to the requesting Department without an individual's authorization for purposes of determining the individual's eligibility for state benefit programs or coordinating benefits with state programs. These requests for information will include limited benefit policies, which could affect an individual's eligibility for state benefit programs.

The Nebraska Medicaid program requests such information to ensure the accuracy in the processing of Medicaid payments to providers and to verify program eligibility. The State of Nebraska is concerned about unnecessary duplication in payments by the Medicaid program to health care providers.

HIPAA privacy rules specifically permit the sharing of information with Medicaid programs without written authorization of the patient if the health plan has a method to authenticate the source of the request. The Department of Insurance does not believe that authentication should be a problem with written requests. Failure of an insurer or third party administrator to respond to such pertinent communications involving the Medicaid program is, as a result of LB 589, an act that constitutes a violation of the Nebraska Unfair Claims Settlement Practices Act.

The text of LB 589, codified as Neb.Rev.Stat. §§68-10,100 through 68-10,107 may be found online at www.nebraskalegislature.gov.

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