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**State/Territory Name: Puerto Rico**

**State Plan Amendment (SPA) #: 22-0001**

This file contains the following documents in the order listed:

- 1) NY Regional Office Approval Letter
- 2) Approved SPA pages
- 3) CMS-179 form
- 4) Decision Memo

**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
Centers for Medicare & Medicaid Services  
601 E. 12th St., Room 355  
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

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June 1, 2022

Dinorah Collazo,  
Medicaid Director  
Department of Health  
P.O. Box 70184  
San Juan, PR 00936-8184

Re: Puerto Rico State Plan Amendment (SPA) 22-0001

Dear Ms. Collazo:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number 22-0001. This SPA will update Third Party Liability (TPL) requirements as authorized under the Bipartisan Budget Act (BBA) of 2018 (Pub. L. 115- 123) and the Medicaid Services Investment and Accountability Act (MSIAA) of 2019 (Pub. L. 116-16).

This letter is to inform you that Puerto Rico Medicaid SPA 22-0001 was approved on 5/27/2022, with an effective date of 04/01/2022.

If you have any questions, please contact Ivelisse Salce at 212-616-2411 or via email at [Ivelisse.Salce@cms.hhs.gov](mailto:Ivelisse.Salce@cms.hhs.gov).

Sincerely,

James G. Scott, Director  
Division of Program Operations

Enclosures

cc: Edna Marin

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b> <b>FOR: CENTERS FOR MEDICARE &amp; MEDICAID SERVICES</b>		1. TRANSMITTAL NUMBER <u>2 2 — 0 0 0 1</u>	2. STATE <u>PR</u>
		3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT <input checked="" type="radio"/> XIX <input type="radio"/> XXI	
TO: CENTER DIRECTOR CENTERS FOR MEDICAID & CHIP SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE <p style="text-align: center; color: blue;">April 1, 2022</p>	
5. FEDERAL STATUTE/REGULATION CITATION 42 CFR Part 433, Subpart D		6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars) a. FFY <u>2022</u> \$ <u>0</u> b. FFY <u>2023</u> \$ <u>0</u>	
7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT Attachment 4.22-B -Requirements for Third Party Liability  Section 4.22 -- Page 69a		8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable) Attachment 4.22-B (88-3)  Section 4.22 -- Page 69a (TN: 94-4)	
9. SUBJECT OF AMENDMENT Update Third Party Liability (TPL) requirements as authorized under the Bipartisan Budget Act (BBA) of 2018 (Pub. L. 115- 123) and the Medicaid Services Investment and Accountability Act (MSIAA) of 2019 (Pub. L. 116-16).			
10. GOVERNOR'S REVIEW (Check One) <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;"> <input type="radio"/> GOVERNOR'S OFFICE REPORTED NO COMMENT  <input type="radio"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  <input type="radio"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL                 </div> <div style="width: 45%;"> <input checked="" type="radio"/> OTHER, AS SPECIFIED:                 </div> </div>			
11. SIGNATURE OF STATE AGENCY OFFICIAL 		15. RETURN TO PUERTO RICO MEDICAID PROGRAM PUERTO RICO DEPARTMENT OF HEALTH PO BOX 70184 SAN JUAN PR 00936-8184	
12. TYPED NAME Dinorah Collazo-Ortiz			
13. TITLE Executive Director			
14. DATE SUBMITTED May 18, 2022			
<b>FOR CMS USE ONLY</b>			
16. DATE RECEIVED May 18, 2022		17. DATE APPROVED May 27, 2022	
<b>PLAN APPROVED - ONE COPY ATTACHED</b>			
18. EFFECTIVE DATE OF APPROVED MATERIAL April 1, 2022		19. SIGNATURE OF APPROVING OFFICIAL	
20. TYPED NAME OF APPROVING OFFICIAL James G. Scott		21. TITLE OF APPROVING OFFICIAL Director, Division of Program Operations	
22. REMARKS			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
STATE / TERRITORY: COMMONWEALTH OF PUERTO RICO

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Requirements for Third Party Liability  
Payment of Claims

Puerto Rico has established methods through which providers must screen for Third Party Liability (TPL) payments where TPL is known to exist, prior to submitting claims to Medicaid. The Third-Party Liability (TPL) Program is designed to function primarily as a cost avoidance system.

Puerto Rico complies with the following TPL requirements:

Social Security Act Section 1902 (a)(25)(E): Applying cost avoidance procedures to claims for prenatal services, including labor, delivery, and postpartum care services.

Social Security Act Section 1902 (a)(25)(E): Making payment without regard to potential third-party liability for pediatric preventive services, unless the state has made a determination related to cost-effectiveness and access to care that warrants cost avoidance for up to 90 days.

Social Security Act Section 1902 (a)(25)(F): Making payment for claims related to child support enforcement beneficiaries without regard to potential third-party liability, if payment has not been made by the third party within 100 days after the provider submitted a claim to the third party, except that Puerto Rico may make such payment within 30 days after such date if it determines doing so is cost effective and necessary to ensure access to care.

**Threshold Amounts for Purposes of Seeking Recovery from a Liable Third Party Pursuant to 42 C.F.R §433.139(f)(2).**

In determining pursuit of recovery, Puerto Rico will seek recovery unless the agency determines that the recovery will not be cost effective. A threshold of \$250 will be used as a guideline in its attempts to recover from liable third parties.

**Threshold Amounts and Timing for Purposes of Seeking Recoveries Pursuant to 42 C.F.R §433.139(f)(3).**

In determining pursuit of recovery, Puerto Rico will seek recovery unless the agency determines that the recovery will not be cost effective. A threshold of \$250 will be used as a guideline in its attempts to recover from liable third parties.

Revision: HCFA-PM-94-1 (MB)  
February 1994

State/Territory: Puerto Rico

Citation

42 CFR 433.139(b)(3)(ii)(A)

X (c) Providers are required to bill liable third parties when services covered under the plan are furnished to an individual on whose behalf child support enforcement is being carried out by the State IV-D agency.

(d) ATTACHMENT 4.22- B specifies the following:

42 CFR 433.139(b)(3)(ii)(c)

(1) The method used in determining a provider's compliance with the third-party billing requirements at §433.139(b)(3)(ii)(C).

42 CFR 433.139(f)(2)

(2) The threshold amount or other guideline used in determining whether to seek recovery of reimbursement from a liable third party, or the process by which the agency determines that seeking recovery of reimbursement would not be cost effective.

42 CFR 433.139(f)(3)

(3) The dollar amount or time period the State uses to accumulate billings from a particular liable third party in making the decision to seek recovery of reimbursement.

42 CFR 447.20

(e) The Medicaid agency ensures that the provider furnishing a service for which a third party is liable follows the restrictions specified in 42 CFR 447.20.