

## **PRTF Authorization Under Managed Care Organizations (MCOs) and Third-Party Liability (TPL)**

Psychiatric Residential Treatment Facilities (PRTF) are facilities requiring children/youth to meet medical necessity guidelines specified in [MN Statutes 256.0941, subdivision 1](#).

### **What are Managed Care Organizations?**

- The Department of Human Services (DHS) contracts with several managed care organizations (MCOs) to serve people enrolled in Minnesota Health Care Programs (MHCP). [Managed care organizations](#) (MCOs) are organizations certified by the Minnesota Department of Health (MDH) to provide all defined health care benefits to people enrolled in an MHCP in return for a fixed payment. MCOs are also known as health plans or prepaid health plans (PPHP). For more information about MCOs, please visit the [information for managed care organizations webpage](#).

### **What is Third Party Liability?**

- Third Party Liability (TPL) refers to the legal obligation of third parties (for example, certain individuals, entities, insurers, or programs) to pay part or all expenditures for medical assistance furnished under a Medicaid state plan. By law, all other available third-party resources must meet their legal obligation to pay claims before the Medicaid program pays for the care of an individual eligible for Medicaid. States are required to take all reasonable measures to ascertain the legal liability of third parties to pay for care and services that are available under the Medicaid state plan.

**Question:** Is there a different process to authorize PRTF services if a child/youth is enrolled in a **Managed Care Organization (MCO) or has other insurance provided by a third party?**

**Answer: Yes.** Referring persons must contact the member's MCO or third-party payer and follow that company's established process. **Contact information for MCOs and private insurance companies (a form of TPL) are typically found on the back of a member's insurance card.**

**To request a clinical consult regarding a potential PRTF referral, please email [dhs.prtf@state.mn.us](mailto:dhs.prtf@state.mn.us).**