Section: Claims	Policy Name: **Claims Adjudication**	Policy Number: **09.01**
Owner: **Chief Administrative Officer**	Reviewed By: **Anne Wickham**	Total Pages: **3**
Required By: ☐ **BBA** ☒ **MDHHS** ☐ **NCQA** ☐ **Other (please specify):** _	Final Approval By: Anne Wickham Anne Wickham (Jul 21, 2022 14:26 EDT)	Date Approved: Jul 21, 2022
Application: ☒ **SWMBH Staff/Ops** ☒ **Participant CMHSPs** ☒ **SUD Providers** ☒ **MH/IDD Providers** ☐ **Other (please specify):** _____	Line of Business: ☒ **Medicaid** ☒ **Healthy Michigan** ☒ **SUD Block Grant** ☒ **SUD Medicaid** ☐ **MI Health Link** ☐ **Other (please specify):** _____	Effective Date: **1/1/2014**

Policy: Southwest Michigan Behavioral Health (SWMBH) will adjudicate all claims based on the following standards while adhering to business industry standards surrounding claims processing.

Purpose: To articulate SWMBH standards regarding Claims Adjudication.

Scope: Operations

Responsibilities: Claims processors

Definitions: None

A. Adjudication rules and edits:

The Managed Care Information System (MCIS) will compare the following data elements of the claim to system information or logic at minimum:

1. Compares the CPT or HCPCS code billed to the care authorized
2. Compares the date of service to authorization effective and termination dates
3. Validates eligible coverage was in effect for each date of service
4. Searches for other insurance information
5. Searches for duplicate claim lines.
6. Validates that the service was covered in the provider agreement for the date of service billed
7. Validates the provider's current rate and the number of units authorized
8. Validates the claimed amount against the Agreement Amount field if a maximum agreement amount for a provider agreement is entered.

9. Validates the service was submitted within the time frame allowed per individual provider contract.
10. Validates the service does not exceed the frequency allowed if such is specified in the contract
11. Ensures claims for secondary processing have a valid Explanation of Benefits.

B. Timely Payment of Medicaid Claims

Timely payment shall be made to all providers for clean claims. At least 90% of all clean claims shall be paid within30 days of receipt and 99% within 90 days of receipt.

C. Participant CMHSP Responsibility

1. SWMBH and/or Participant CMHSPs will perform batch adjudication on a timely basis.
2. Claims that are denied or only partially approved will be set with this status. Ensure that denial and pend notification are sent to consumers and providers in accordance with policy at the time of actionof denial or pended status. Only those providers who have received a waiver to submit paper claims will receive paper letters. All other providers can find their denials, pends or partial approvals within the MCIS system at any time.

D. Pended Claims

Claims may "pend" in the MCIS during the adjudication process for the following reasons:

1. Member has a primary insurer who may be liable for all or part of claimed amount.
2. Member has Medicaid "Pending" status in system
3. Contract terms have a pending status for Rendering or Credentialed provider status.
4. Member has no Medicaid coverage and GF coverage is being determined.

Claims that pend during initial adjudication will be reviewed by claims adjudication staff. The "Clean Claim Date" in the MCIS will be corrected to reflect the date on which the information needed to make the claim "clean" is provided. Claims with a pending status 31 days post adjudication shall be denied as a matter of course if the claim cannot be approved due to missing information or authorization.

E. Explanation of Benefits

SWMBH and/or participant CMHSPs will ensure that an Explanation of Benefits is mailed to a minimum of 5% of the Medicaid Consumers served by the region annually.

Procedures: None

Effectiveness Criteria: Claims Timeliness Reports

References:

A. PIHP Contract Schedule A

Attachments: None

Revision History

Revision #	Revision Date	Revision Location	Revision Summary	Revisor
Initial	3/16/2020	Throughout Policy	New template	A. Wickham
1	7/14/2022	Update Standard B and C	Revise for clarity	A. Wickham

09.01 Claims Adjudication

Final Audit Report 2022-07-21

Created:	2022-07-21
By:	Jody Vanden Hoek (jody.vandenhoek@swmbh.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAPzHe76CNBNUWQe-0jRoBfmuBUPyOd_5Q

"09.01 Claims Adjudication" History

Document created by Jody Vanden Hoek (jody.vandenhoek@swmbh.org)
2022-07-21 - 6:17:07 PM GMT

Document emailed to anne.wickham@swmbh.org for signature
2022-07-21 - 6:17:29 PM GMT

Email viewed by anne.wickham@swmbh.org
2022-07-21 - 6:25:47 PM GMT

Signer anne.wickham@swmbh.org entered name at signing as Anne Wickham
2022-07-21 - 6:25:58 PM GMT

Document e-signed by Anne Wickham (anne.wickham@swmbh.org)
Signature Date: 2022-07-21 - 6:26:00 PM GMT - Time Source: server

Agreement completed.
2022-07-21 - 6:26:00 PM GMT