Section: Claims	Policy Name: **MHL – Claims Adjudication**	Policy Number: **MHL 09.01**
Owner: **Chief Administrative Officer**	Reviewed By: **Anne Wickham**	Total Pages: **3**
Required By: ☐ **BBA** ☒ **MDHHS** ☐ **NCQA** ☒ **Other (please specify):** **MHL Three Way Agreement**	Final Approval By: Anne Wickham	Date Approved: 10/30/19
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: **10/30/2019**

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 MI Health Link (MHL) Claims Adjudication.

Scope: Operations

Responsibilities: Claims processors

Definitions: None

Standards and Guidelines:

A. Adjudication rules and edits

1. The Managed Care Information System (MCIS) will compare the following data elements of the claim to system information or logic at minimum:
   a. Compares the current procedural terminology (CPT) code billed to the care authorized
   b. Compares the date of service to authorization effective and termination dates
   c. Validates eligible coverage was in effect for each date of service
   d. Searches for other insurance information
   e. Searches for duplicate claim lines.
   f. Validates that the service was covered in the provider agreement for the date of service billed
   g. Validates the provider's current rate and the number of units authorized
   h. Validates the claimed amount against the Agreement Amount field if a maximum agreement amount for a provider agreement is entered.

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

B. Timely Payment of MHL Claims
1. Payment shall be made to all providers within 30 days of receipt of a clean claim within and at least 99% of all clean claims shall be paid within 90 days.

C. Pended Claims
1. Claims may "pend" in the MCIS during the adjudication process for the following reasons:
a. Member has a primary insurer who may be liable for all or part of claimed amount.
b. Member has Medicaid eligibility "Pending" status in system
c. Contract terms have a pending status for Rendering or Credentialed provider status.
2. 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.

D. Explanation of Benefits
1. SWMBH 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: None

Attachments: None

Southwest Michigan BEHAVIORAL HEALTH

Revision History

Revision #	Revision Date	Revision Location	Revision Summary	Revisor
1	10/28/2019	Throughout Policy	All references to CMHSP responsibilities removed	A. Wickham