

Department of Medical Assistance Services 600 East Broad Street, Suite 1300 Richmond, Virginia 23219

www.dmas.virginia.gov

MEDICAID MEMO

TO: All Hospitals and Physicians Participating in the Virginia

Medical Assistance Program

FROM: Patrick W. Finnerty, Director MEMO Special

Department of Medical Assistance Services

DATE 4/13/2004

SUBJECT: Claim Repayments Due To ClaimCheck

The purpose of this memorandum is to provide you with information regarding certain claim retractions that occurred due to the implementation of the Department's ClaimCheck product. ClaimCheck is a commercial software product that is used by the Department of Medical Assistance Services (DMAS) to compare current claims with historical claims to determine whether there is a billing conflict. DMAS realizes that physicians are the cornerstone of our health care delivery system, and apologizes for the recent confusion and loss of revenue that some physicians experienced with the reinstatement of the ClaimCheck process.

ClaimCheck was suspended during the development of the new Medicaid Management Information System (MMIS) and was operated last month for the first time in almost a year. DMAS utilized this automated claims auditing process in the old MMIS and was attempting to implement it in the new MMIS. During this operation period, providers may have experienced some voided claims on remittances dated March 12, 2004.

Based on further analysis of ClaimCheck edits and feedback obtained from the provider community, DMAS has made the decision to reimburse providers for the retractions that appeared on the remittance dated March 12, 2004. DMAS has also decided not to conduct the ClaimCheck review again until DMAS has had the opportunity to more thoroughly review the edits and process with the Physician community. DMAS will be working with the Medical Society of Virginia and other providers as part of the review process. You will be notified, via a Medicaid Memorandum, before ClaimCheck is implemented on a permanent basis.

Outlined on the next page please find the steps and time frames that will be used in reimbursing providers for the retractions that appeared on the remittance dated March 12, 2004.

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- Claims for which payments were retracted on the March 12, 2004, remittance advice are being reprocessed by DMAS during the week of April 12, 2004. Payment for these reprocessed claims will appear on the April 23, 2004, remittance advice. (Providers should be aware that, in some instances, ClaimCheck generated and paid "substitute" claims in place of provider-submitted claims believed to be in error and retracted. This is a standard feature of ClaimCheck. In order to prevent paying providers twice for the same service, these "substitute" claim payments are being voided. The "substitute" claim payments are being voided the week of April 12, 2004, and will appear on the remittance advice of April 23, 2004.)
- During the time frame of April 19 through April 23, 2004, DMAS will review any claim transactions that could not be reprocessed. Claims that cannot be reprocessed due to various edits will be processed as off-line payments to individual providers. DMAS will be sending specific information letters to providers receiving an off-line payment during the week of April 26, 2004. The actual payment for these claims will be received with the remittance advice of April 30, 2004.

DMAS is anticipating the majority of these corrections to appear on the April 23, 2004, remittance advice. Should you have any questions related to this reversal process, please contact DMAS at ClaimCheck@DMAS.virginia.gov.

ELIGIBILITY AND CLAIMS STATUS INFORMATION

DMAS offers a web-based Internet option to access information regarding Medicaid eligibility, claims status, check status, service limits, prior authorization, and pharmacy prescriber identification information. The website address to use to enroll for access to this system is http://virginia.fhsc.com. The MediCall voice response system will provide the same information and can be accessed by calling 800-884-9730 or 800-772-9996. Both options are available at no cost to the provider.

COPIES OF MANUALS

DMAS publishes electronic and printable copies of its provider manuals and Medicaid Memoranda on the DMAS website at www.dmas.virginia.gov (please note the new DMAS website address). Refer to the Provider Column to find Medicaid and SLH provider manuals or click on "Medicaid Memos to Providers" to view Medicaid Memoranda. The Internet is the most efficient means to receive and review current provider information. If you do not have access to the Internet, or would like a paper copy of a manual, you can order these by contacting Commonwealth-Martin at 804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates requested.

"HELPLINE"

The "HELPLINE" is available Monday through Friday from 8:30 a.m. to 4:30 p.m., except State holidays, to answer questions. The "HELPLINE" numbers are:

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786-6273 Richmond area 1-800-552-8627 All other areas

Please remember that the "HELPLINE" is for provider use only.