BlueCross BlueShield of Illinois

BLUE CROSS AND BLUE SHIELD OF ILLINOIS
PROCEDURE

DEPARTMENT: Provider Performance Management	**PROCEDURE NUMBER:** Administrative - 66A	**ORIGINAL EFFECTIVE DATE:** **6/01/2002**
PROCEDURE TITLE: Utilization Management Fund Challenge		**EFFECTIVE DATE:** 7/01/2002 **LAST REVISION DATE:** 7/1/2021
EXECUTIVE OWNER: Executive Director	**BUSINESS OWNER:** Manager, Provider Performance Management	**LAST REVIEW DATE:** 7/1/2022

I. SCOPE

This Policy applies to the Provider Performance Management divisions for Blue Cross and Blue Shield of Illinois (BCBSIL) Health Management Organization (HMO) Commercial and Exchange health plans and applies to the following lines of business and products:

Line of Business / Product Scope / Plan Scope/Contract Number (if applicable)	In Scope [x]
HMO Commercial	X
HMO Exchange	X
PPO Commercial	
PPO Exchange	

II. POLICIES IMPLEMENTED BY PROCEDURE

When an IPA has a dispute of the actual units charged on their UM Fund, the following steps should be taken prior to submitting a Challenge:

1. Review the chart information below to determine if the challenge is appropriate to send to the HMO.
2. The IPA must validate the 095 response to verify the appropriate response was provided before challenging a Group Approved (GA) claim as Not Group Approved (NGA) and/or Out of Area (OOA).

3. Submit the Final UM Claims Detail Excel spreadsheet in the exact format it was received. Remove claims not being challenged. ***Do not change format or any data fields.***

- Insert a column **(after column named 'Final')** labeled 'Units Challenged' to indicate the number of units being challenged.
- Insert a column **(after column named 'Units Challenged')** labeled 'Challenge Reason' and enter specific detailed reasons for the challenge, and
- E-mail the spreadsheet along with the supporting documentation referenced below to ***HMO_UMFundChallenge@bcbsil.com*** and copy the Provider Network Consultant (PNC).

5. The HMO will conduct an initial review of the UM Fund challenge***.*** If the report format is not acceptable and/or supporting documentation is missing, the UM ***Fund*** challenge will be returned to the IPA within twenty-one days of receipt. All resubmitted challenges must be received by the HMO within 30 days of the return to the IPA for correction.

Following are examples of the most common, **not exhaustive** IPA challenge scenarios including documentation required from the IPA. ***Documentation must be HCSC and/or industry approved documentation, not from IPAs' internal systems.***

Challenges handled with no claim re-adjudication:

Situation	**Required Action/Documentation by IPA**	**Resolution**
Units charged at the non-contracted rate. IPA called prior to the services rendered and received authorization by HMO to use the non-contracting provider.	Submit the written and signed exception form provided by HMO.	UM Fund units will be credited if an HMO approved, and signed exception form is submitted.
Units are charged at an incorrect rate (e.g., Class II vs Class I or non-contracted provider) based upon Appendix D.	Review Appendix D verifying **NPI, provider number and** contract dates against admit dates and provider type. Submit the appropriate section of Appendix D with the challenge.	The units will be reviewed and adjusted, if indicated.
Stop Loss was not calculated correctly.	Provide a list of the claims that should be included in the calculation.	Stop loss will be recalculated.

Challenges handled through claim re-adjudication:

1.1.1.1 Situation	Required Action/Documentation **By IPA**	*1.1.1.2 Resolution*
Provider bills using the wrong provider number, and this results in the wrong number of units being charged (e.g., provider bills using the provider number assigned for acute care, but services were rendered in a Skilled Nursing Facility or rehabilitation setting).	Do not submit as a challenge. IPA must request Provider to re-submit bill and refund payment to HMO claims with the correct provider number.	Penalty units will be credited when the provider re-bills with the correct provider number and refunds the payment. Correction will appear on next UM Fund after the adjusted bill is processed.
Units charged but member's HMO policy is secondary, or services should be paid by third party.	Provide other carrier information to HMO, if available.	Units will be adjusted if other carrier pays more than 50% of the billed charges.
Services were 'Out of Area' (OOA) and the place of treatment was more than 30 miles from the IPA Physician or IPA Affiliated hospital.	Provide internet-based mapping program that shows place of treatment was more than 30 miles from IPA Physician or IPA affiliated hospital. Reference the IPA Process for Establishing Out of Area for Emergency Policy and Procedure. Verify the IPA's response on the 095 report was non-group approved (NGA) - OOA Submit documentation of NGA - OOA response (095 report, stamped claim etc.). **Must be HCSC and/or industry approved documentation, not IPAs' internal system documentation.**	Units will be adjusted if determined to be NGA and OOA.
IPA states services were not group approved.	Verify the IPA's response on the 095 report was non group approved (NGA). Submit documentation of NGA response (095 report, stamped claim etc.) **Must be HCSC and/or industry approved documentation, not IPAs' internal system documentation.**	Units will be adjusted if determined to be NGA.

IPA states services were transplant related.	**Provide the written and signed transplant letter from HMO.**	**UM Fund units will be credited if an HMO approved transplant letter is submitted and is in accordance with the guidelines set forth by the Organ and Tissue Transplant section of the HMO Scope of Benefits.**

Miscellaneous Challenges:

1.1.1.3 Situation	*1.1.1.4 Resolution*
IPA states that services were for observation room only.	If UM Fund claim report shows a claim service type of 'outpatient surgery' for the claim, then the provider submitted the bill as OP Surgery and the OP Surgery units will not be reversed. Do not submit challenge.
Units charged for late discharge	If HMO is billed for a late discharge, units will be charged. Do not submit challenge
Appendix B Penalty applied for office procedure performed in an alternate setting for claims with a date of service after 12/31/2004. IPA needs to verify the codes that were submitted in the encounter data submission prior to submitting the challenge.	Dependent upon the reason for the challenge: Provide a copy of the HMO approved Appendix B exception and/or documentation of codes included with encounter data submission. Units will be adjusted, if indicated.
IPA states services were not group approved (NGA). If approval was determined by one of the following processes: Claim submitted with GAP by provider Claim stamped group approved by IPA Group Approved on the 095 report Verbal approval given to an HMO representative IPA did not return GA *095 report* within the designated timeframe In Area ER admit	Then: No credit given **–** do not submit challenge No credit given – do not submit challenge No credit given – do not submit challenge No credit given – do not submit challenge No credit given – do not submit challenge Do not submit challenge

CONTROLS/MONITORING

Line of Business and/or Area	Control Requirements
HMO Commercial and Exchange	Controls are HMO Medical Service Agreement

I. POLICY REVIEWERS

Person Responsible for Review	Title	Date of Review
HMO Financial Analyst	HMO Financial Analyst	6/24/2021
Mary Ellen Merbeth	Provider Network Consultant, Provider Performance Management	6/24/2021
Nicole Hildebrand	HMO Financial Analyst	6/3/2022
Alicia Brown	HMO Financial Analyst	6/3/2022
Danielle Washington	Provider Network Consultant	5/4/2022

II. POLICY REVISION HISTORY

Description of Changes	Revision Date
Update the policy to the new template and split Policy from Procedure	6/24/2021
Added the IPA must include their NPI, provider number in the required action/documentation	6/3/2022
Added the required documentation must be HCSC and/or industry approved documentation, not IPAs' internal system documentation.	6/3/2022

III. POLICY APPROVALS

Company, Division, Department and/or Committee	By: Name	Title	Approval date
BCBSIL P&P			6/24/2021
BCBSIL P&P			6/23/2022