

# Part II: Billing - Dealing With Denials

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**The Community Technical Assistance Center**  
EFFICIENT PRACTICES. EFFECTIVE CARE.

# Poll Question

What is your role in your agency?

- A. Director/Administrator
- B. Reimbursement Supervisor
- C. Billing Staff
- D. Clinician
- E. Other



**The Community Technical Assistance Center**  
EFFICIENT PRACTICES. EFFECTIVE CARE.

# Agenda

- Introduction
  - Presentation will be available on CTAC website at [www.ctacny.com](http://www.ctacny.com)
- Review of Remittance Advice
- Rejections vs. Denials
- Tools to Research Rejections and Denials
- Common Denials
- Tips to Avoid / Correct Rejections and Denials
- Questions



# Remittance Advice

## **Remittance advice contains the following information:**

- A listing of claims that have entered the processing system during the corresponding cycle
- The status of each claim (deny/paid/pend) after processing
- The eMedNY edits (errors) failed by pending or denied claims
- Payments and other financial information such as recoupments, negative balances, etc.
- Important for identifying and correcting billing errors
- Contains 16-digit Transaction Control Number (Payer Claim Control Number) needed for adjustments and voids of paid claims.



# Remittance Advice

## Remittance advice formats:

- Electronic HIPAA 835 (software required to interpret)
- PDF Remittance Advice (looks like paper remit)
- Paper Remittance Advice
- Separate remittance for each provider/Electronic Transmitter Identification Numbers (ETIN) combination

## Remittance advice delivery methods

- ERA is delivered to providers either via eXchange or FTP, etc.
- PDF remits can be picked up weekly from the eXchange in-box (and are available for retrieval for **28 days**)
- Paper remit is sent through the US Postal Service



# PDF and Paper Remittance Advice



MEDICAL ASSISTANCE (TITLE XIX) PROGRAM  
REMITTANCE STATEMENT

PAGE	02
DATE	08/27/2010
CYCLE	1723
ETIN:	
CLINIC-APG	
PROVIDER ID/NPI: 00987654/0123456789	
REMITTANCE NO: 100083000001	

TO: ABC MENTAL HEALTH SVCS  
P.O. BOX 999  
ANYTOWN, NEW YORK 11111

OFFICE ACCOUNT NUMBER	CLIENT NAME	CLIENT ID	TCN	DATE OF SERVICE	RATE CODE	CHARGED	TOTAL PAID	STATUS	ERRORS
CPT	APG	COMBINED WITH CPT	FULL WEIGHT APG AMOUNT	PCT APG WEIGHT	APG PAID	CAPITAL ADD ON	EXISTING OPERATING COMPONENT		
1	2	3	4	5	6	7	8		
					10				
+ TCN: 10270-000000000-2-0			TOTAL PAID:		184.19				
1234567890	Bill Smith	AB12345C	10270-000000000-2-0	12/01/2008	1504	200.00	70.75	PAID	
H2010	00490		.41380	90	56.26	14.49	0.00		
1234567890	Bill Smith	AB12345C	10270-000000000-2-0	12/01/2008		100.00	113.44	PAID	
90804	00315		.62060	100	23.44	00.00	90.00		



# Rejected Claims vs. Denied Claims

## Rejected Claims:

- Front-End Rejection (Pre-adjudication) – Claim is rejected at the “front-door”
- Claims REJECTED for Pre-adjudication edits *do not appear on the Remittance Advice.*
- Refer to 277CA (Claim Acknowledgement) and/or Claim Status Response (ePACES – (A1-A7) Acknowledgement/Returned) to identify rejected claims.

## Denied Claims:

- Mainframe Editing – Claim made it into eMedNY, the State Processing system
- Claims in DENY Status - are reported on Remittance Advice
- (F2) Finalized/Denial – Status available on ePACES prior to Remittance

## Pended Claims:

- Results in PEND Status - reported on the Remit (paper, pdf) or Supplemental File (835S)



# REJECTED CLAIMS

<https://www.emedny.org/HIPAA/5010/transactions/crosswalks/index.aspx>

## NYS MEDICAID PRE-ADJUDICATION CROSSWALK FOR HEALTH CARE CLAIMS VERSION 5010 (BATCH AND REAL-TIME)

The specifications for the transactions referenced here are the property of the Accredited Standards Committee X12 and are available at:

<http://www.wpc-edi.com/>  
<http://store.x12.org/>

Implementation Guide (TR3):  
005010X212  
005010X214

It is extremely important that providers, as well as the vendors that service the eMedNY provider community, react to the front end responses sent by eMedNY. Claims rejected by the front end process are not reported in the Remittance Advice or any other transactions.

The following table lists the specific values returned by the eMedNY system in the ASC X12N 277 Health Care Claim Acknowledgment in the loop 2200D and 2220D STC segment for Claim Status Category Code (STC01-1), Claim Status Code (STC01-2), and Entity Identifier Code (STC01-3) in response to electronic healthcare claims submitted on the ASC X12N 837 Health Care Claim. Note also that by default, an STC segment with STC01 valued with A1|20 is returned in loop 2200B.

Inbound claims are validated against a set of preliminary edits that are checked prior to adjudication but after EDI translation. If no errors are found on a specific claim, the claim is forwarded for adjudication. Otherwise the codes listed in the table below will report the specific error condition that was identified. When submitted claims fail any of these edits they will not be adjudicated.

277CA (OUTBOUND RESPONSE TO CLAIMS)									INBOUND CLAIM (VERSION 5010)				
CLAIM LEVEL (LOOP 2200D)						LINE LEVEL (LOOP 2220D)			BATCH			REAL-TIME	
STC01-			STC10-			STC01-			837-			837-	
-1	-2	-3	-1	-2	-3	-1	-2	-3	INST	PROF	DENT	PROF	
<b>NYS Medicaid Conditions</b>													
A1	18	PR							No errors detected at Claim Level; Claim rejected due to line-level errors: STC segment in Loop 2220D provides detail (see bottom of worksheet). Returned in response to v. 5010 batch transactions ONLY.	✓	✓	✓	
A1	18	40							No errors detected at Claim Level; Claim rejected due to line-level errors: STC segment in Loop 2220D provides detail (see bottom of worksheet).				✓
A2	20								No error being reported (((Claim has been forwarded to adjudication)))	✓	✓	✓	✓
A3	117	1P							Provider Signature-on-File indicator not set to "Y"		✓	✓	✓
A3	117								Provider Signature-on-File indicator not set to "Y"				
A3	121								Maximum lines (999) exceeded in claim	✓			



# Edit/Error Knowledge Base

[https://www.emedny.org/HIPAA/5010/edit\\_error/index.aspx](https://www.emedny.org/HIPAA/5010/edit_error/index.aspx)

## Edit/Error Knowledge Base (EEKB) Search Tool

**FIND EDIT INFORMATION** by using the search tools and features below to obtain detail explanations about specific edits, such as potential causes and what to do to overcome the problem.

To search for the EEKB, You can search and filter results by the follow: (1)The 5-digit Edit Number; (2)Remit and Claim codes associated with the EEKB; and (3)Text contained in the main title/header of the EEKB. Press the printer icon to print your filtered displayed results.

### SEARCH BY ANY METHOD BELOW

#### 1 SEARCH BY eMedNY EDIT

Edit #:

Go »

#### 2 SEARCH BY HIPAA CODES

Claim Adjustment  
Reason Code:

Healthcare Claim  
Status Code:

Remark Code:

Entity Identifier  
Code:

Go »

#### 3 SEARCH BY TITLE TEXT

Go »

[clear form](#)



PRINT SEARCH RESULTS

# Edit/Error Knowledge Base

Searching for an edit in EEKB will give you a Cause/Solution to the Denial

Edit ID: **00725**

Updated: 2/4/2014

## History Record not found for Adjustment or Void

Claim Adjustment Reason Code: **107**  
THE RELATED OR QUALIFYING CLAIM/SERVICE WAS NOT IDENTIFIED ON THIS CLAIM.

Healthcare Claim Status Code: **35**  
CLAIM/ENCOUNTER NOT FOUND.

Remark Code: **N/A**

Entity Identifier Code: **N/A**

### **CAUSE:**

The Transaction Control Number (TCN) that the provider is using as the original paid claim (loop 2300, Claim Control Number REF segment, REF\*F8) to be adjusted cannot be found in the system as a paid TCN. The claim may have been adjusted or voided in the past.

### **SOLUTION:**


Check the TCN to ensure accurate entry.

- The history of the claim may require research using your remittances to determine if the claim was previously adjusted or voided.
- The adjustment and void fields should only be used to adjust or void a PAID claim.
- Leave these fields blank when submitting an original claim or resubmitting a denied claim.
- **Practitioner:** If the original claim was paid to the individual provider but should have been paid to a professional services group:
  - Adjust the original claim. The adjustment claim must identify the professional group as the Billing Provider and identify the individual practitioner who saw the patient as the Rendering Provider.

If there were errors, correct and re-submit.



# ICD-10 – Are You Ready?

eMedNY  

EHR Incentive Provider Provider Provider eMedNY HIPAA eMedNY



**ATTENTION:**

**The ICD-10 Compliance Date is October 1, 2015**

91 days	23 hours	16 minutes	55 seconds
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Are you ready?

**eMedNY ICD-10 TESTING IS CURRENTLY OPEN**

**Don't delay and test today!**

On **July 28, 2014** eMedNY opened the Provider Testing Environment for submitters to test Medicaid claims with ICD-10 diagnosis codes and hospital claims that utilize ICD-10 procedure codes.

For more more information on what ICD-10 compliance means to you, how to test, and find answers to frequently asked questions, visit <https://www.emedny.org/icd/index.aspx>

## FAQs

 **CLICK HERE for ICD-10 FAQs** on Testing, Billing Impacts & many more topics

ID	FAQ	Featured
ICD36	Does ICD-10 coding apply to me?	*



# Poll Question

What is your most common Claim Denial Reason?

- A. Claim Timeliness
- B. Other Insurance Issues
- C. Client Eligibility
- D. Proper coding
- E. Other



# Common Claim Denials

<b>NYS EDIT</b>	<b>EDIT DESCRIPTION</b>	<b>277 CLAIM STATUS</b>	<b>835 CLAIM ADJUSTMENT REASON CODE</b>	<b>REMARK CODE</b>
01155	Utilization Threshold Avail Svc Exhausted	84	B5	
02166	Delay Reason 11 Invalid	718	29	
02164	Delay Reason 9 Invalid	718	29	
01007	Through Service Date Greater Than 90 Days	187	29	
01244	Service Provider Not Active On Date Of Service	91	B7	
00725	History Records Not Found For Adjustment Or Void	35	107	
01027	Medicaid Coverage 9 Medicare Amount Missing	171	16	
00152	Recipient File Indicate Medicare/No Medicare Present	85	22	
02067	Attending Provider Not Linked To Billing Provider	677	96	N198
00705	Service Paid Current Or Previous Claim	54	97	M86
00131	Third Party Indicated/Other Amount Not Submitted	85	22	MA04
02081	All APG Lines Paid 0	65	B15	M51
00162	Recipient Ineligible On Service Date	88	200	
01172	Prepaid Capitation Recipient - Svc Covered In Plan	97	24	



# Tips to Avoid / Correct Rejections and Denials

- Follow billing guidelines found on [emedny.org](http://emedny.org) and OMH website
- Enter correct coding (Rev code, Procedure, Diagnosis, Units, etc.)
- Follow timely filing guidelines in provider manual on [emedny.org](http://emedny.org)
- Check Client Eligibility via Medicaid Eligibility Verification System (MEVS)
  - ✓ Utilization Threshold Response
- Include all Other Insurance information on claim to Medicaid
- Payer code 16 – use to identify Medicare replacement (Medicare HMO)
- Make sure other payer amounts “Balance”
  - ✓ Other payer paid amount + Claim adjustments = Amount Charged
  - ✓ If zero-fill situation the Total Non-Covered Amount = Amount Charged



# Tips to Avoid / Correct Rejections and Denials

- Retrieve and review 277CA response files and/or Claim Status response files after submission of claims
- Retrieve and review electronic 835 or PDF remits weekly
- Keep ETIN Certification updated annually to avoid rejections
- Confirm that provider on claim is linked to facility and enrolled in Medicaid Program (OPRA)
- Only previously paid claims can be adjusted (replaced) or voided
- Adjustment/replacement and void claims require the 16-digit TCN/Payer Claim Control number of the **paid** claim.
- Adjustment/replacement claims should be submitted with all data/claim lines as it should have been billed
- Sign up for Listserve and Medicaid Update for important info
- Request billing training /assistance from CSC Regional Representatives by calling at 800-343-9000



# Questions/Concerns





# Upcoming Webinars in this Series:

## Claims Denials: Consultation Webinar (Office Hours)

- Friday, July 10th 12:00pm-1:00pm
- Presenters: **Rita Guido**, Outreach Supervisor, Computer Sciences Corporation & **David Wawrzynek**, Chief Financial Officer, Spectrum Human Services



For further discussion, questions and answers, please join us during our Consultation Webinar on Friday, July 10th from 12-1pm.

If you have not yet registered, please visit the CTAC website at [www.ctacny.com](http://www.ctacny.com)

Please submit your questions ahead of time to [ctac.info@nyu.edu](mailto:ctac.info@nyu.edu) with the subject line 'Dealing with Claims Denials'



# eMedNY Reference Info

eMedNY Website

[www.emedny.org](http://www.emedny.org)

eMedNY Contact Form

<https://www.emedny.org/contacts/emedny.aspx>

CSC/eMedNY Call Center

800-343-9000

[\*\*www.ctacny.com\*\*](http://www.ctacny.com)



# Thank you for participating with us today!

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