



Chapter 9

Paid Claim Adjustment Procedures



INTRODUCTION

This section explains the business processes of how claim-specific adjustments and non-claim specific adjustments flow through the Oklahoma Medicaid Management Information System (OKMMIS). It is the responsibility of the adjustment department to process in a timely manner all claim-specific and non-claim-specific financial transactions. When a claim is adjusted, it is reprocessed as a new claim. When the adjustment claim processes, it may be affected by system changes made since the original claim was processed.

SECTION A: ADJUSTMENT CATEGORIES

Adjustments are classified in two categories – check-related (refund) or non-check related. Check-related adjustments are classified as either full or partial. An explanation of the claim adjustment types is provided below. Adjustments are made to paid detail lines only on paid claims.

NON-CHECK RELATED ADJUSTMENT

Underpayment Adjustment

The provider is seeking additional reimbursement for a paid claim. The net payment to the provider is the difference between the original claim amount and the adjusted claim amount, when the adjusted claim amount is more than the original claim amount.

Overpayment Full Offset

The provider or the OHCA has recognized that a full overpayment for a claim occurred, and the provider or the OHCA has requested that the overpayment amount be deducted from future claim payments to the provider. After the adjustment void processes, the claim is systematically adjusted to zero and an account receivable is established for the entire amount of the claim.

Overpayment Partial Offset

The provider or the OHCA has recognized that a partial overpayment for a specific claim occurred and the provider has requested that the overpayment amount be deducted from future claim payments. The historical data for the claim are adjusted and an accounts receivable is established for the overpayment amount.

CHECK RELATED ADJUSTMENT

Full Claim Refund

The provider or the OHCA has recognized that a full overpayment for a claim occurred and the provider issues a refund check for the amount of the entire claim payment. During the claim adjustment process, the refund amount is applied to the claim and the original claim is systematically adjusted to zero.

Partial Claim Refund

The provider or the OHCA has recognized that a partial overpayment for a specific claim occurred and the provider issues a refund check for the amount of the overpayment. The refund amount is applied to the adjustment claim during processing and the historical data for the claim are adjusted.

NEGATIVE ADJUSTMENT AMOUNTS (OVERPAYMENTS)

If a claim is incorrectly adjudicated and the provider receives an overpayment, the provider is required to immediately take action with one of the following options:

- Mail a check in the amount of the overpayment along with a completed adjustment request form (HCA-14 for UB92 and IP/OP Crossover or HCA-15 for CMS 1500, Dental and Crossover Part B).
- Void the claim on the secure site (Medicaid on the Web) to setup a recoupment.
- Complete an adjustment request form (HCA-14 or HCA-15) and submit it according to the instructions on the form.

In addition include: a copy of the paid remittance advice, and when applicable, a copy of the corrected claim; copy of the Medicare EOMB; and/or a copy of the insurance EOB.

Send to:

The OHCA

Attention: Finance Division
PO Box 18299, Oklahoma City, OK 73154.

If the payment is not received, recoupment procedures will be initiated by the OHCA.

When a claim recoupment procedure is initiated, an amount will be posted in parenthesis on the "Paid Amount" column on the adjustment RA. The recoupment

amount is subtracted from the provider's claim payment. If a negative balance is outstanding, it is carried forward as an outstanding recoupment amount and deducted from future claim payments. A summary of the recoupment activity is reported on the financial transactions page of the RA.

POSITIVE ADJUSTMENTS (UNDERPAYMENTS)

If a claim is incorrectly adjudicated and the provider receives an underpayment, the OHCA will initiate procedures to generate a payment adjustment to the submitted claim.

If the provider identifies an underpayment error to a paid claim, the provider may request a payment adjustment by submitting:

1. A completed adjustment request form (HCA-14 for UB, Inpatient/Outpatient crossover, or HCA-15 for 1500, Dental or Crossover Part B) for each claim requested for adjustment.
2. A copy of the paid RA or detailed explanation of the paid information and a copy of the corrected claim. If applicable, a copy of the Medicare EOMB and/or copy of the insurance EOB.
3. Any additional documentation – including sterilization consent form, the hysterectomy acknowledgment, abortion certification or patient certification for Medicaid funded abortion. These documents must be attached to the adjustment request in order to assist the OHCA in making proper determination

All documentation is mailed to:

The OHCA
Attention: Adjustments
4545 N Lincoln Boulevard Suite 124
Oklahoma City, OK 73105.

OHCA Review

Each adjustment request is reviewed and researched for proper documentation and compliance with policies and procedures of the OHCA. Requests failing to meet these requirements will be returned to the provider for the missing information.

SECTION B: ADJUSTMENT TYPES AND WORKFLOW

Adjustments are typically initiated by the provider but may also be requested by the OHCA. The provider completes an adjustment request form and forwards it to the specified adjustment address on the form.

NON-CHECK-RELATED ADJUSTMENT (REGIONS 50 AND 56)

Non-check-related adjustments are defined as provider requests for additional payment, referred to as an underpayment adjustment or provider requests for an overpayment amount to be deducted from future claim payments, referred to as an offset adjustment. Offset adjustments are further categorized as full claim offsets or partial claim offsets.

Non-check-related adjustments are processed through the OKMMIS.

CHECK RELATED ADJUSTMENT (REGIONS 51 AND 57)

Check related adjustment requests are cash receipts received and dispositioned as claim-specific refunds to the OHCA. The refunded dollar amount is posted to the specific claim as the adjustment is processed in the OKMMIS. A reason code, that indicates the source of the refund, is typed in the adjustment record. This allows the system to categorize the refunds into provider, SURS and TPL recoveries for cash management reporting. Check related adjustments are processed through the OKMMIS.