

Reconciliation due to 2015 diagnosis related-group rate adjustment

As you are aware, Amerigroup Kansas, Inc. is required to adjust hospital reimbursement rates in accordance with the diagnosis related groups (DRG) payment methodology, retroactive to the effective date of those rates as determined by the Kansas Department of Health and Environment (KDHE). As a result, rates issued by the state in October 2015 will be applied retroactively to all claims submitted with dates of discharge on or after October 1, 2015. Claims with paid dates beginning December 22, 2015, will not be adjusted since the new rates were loaded into the system, and these claims would have been processed under the new rate table.

Accordingly, we will perform a reconciliation of the affected claims, and will determine the adjusted reimbursement amounts based on the new rates. On or about March 28, 2016, we will initiate adjustment activities on the affected claims. If, based on our reconciliation efforts, additional reimbursement is due to you, we will issue payment at that time. If the adjusted net reimbursement results in an amount due from you to Amerigroup Kansas, Inc., we will commence recovery of such amounts through an offset against future claims payments unless we hear from you within 45 calendar days from the date of this notification.

This offset against future claims payments will be carried out in accordance with the terms of the provider agreement. Please contact your Provider Relations Representative at the phone number listed below if you do not agree with the offset.

Amerigroup Kansas, Inc. appreciates your continued participation in our network. If you have any questions, please contact your Provider Relations representative at 1-800-454-3730. Provider Relations representatives are assigned by regions. If you want to know your assigned representative, please refer to our website: https://providers.amerigroup.com/ProviderDocuments/KSKS_ProviderReps.pdf.