

## Amerigroup Kansas, Inc. client obligation review and status update

**Background:** Amerigroup Kansas recently completed a project to automate the application of client obligation (CO) during claim adjudication. The project included a member record data load of the provider assignment and CO amount based on selection logic using existing authorizations to determine the provider most likely to have CO assigned. Following the member data load, the claim adjudication process was revised to look for the data in the member record, apply the CO amount to any claims from the assigned provider, aggregate any residual carry-over for application to future claims and pay the claim at the calculated rate.

✦ **What this means to you:** For your information. This does not change any process that was in place prior to the automation effort and does not affect claim submission. This claim payment improvement should increase auto-adjudication of claims and reduce average claim payment time.

### CO process summary

This project concluded in mid-September, with the full automation of the adjudication process moving to production on September 15, 2014. Amerigroup Kansas will continue to monitor and test in the post-production environment for an additional 45-60 days.

What happens: When a provider submits a claim, the system references the member data record to determine 1) if the member has an obligation (amount provided by the state using the 834 electronic transactions) and 2) to which provider(s) the obligation is assigned. If the billing provider is the assigned provider and if the member has an obligation balance, the obligation balance is applied to the claim for payment reduction and the claim is paid in the next payment cycle. The system maintains a running obligation balance for members whose obligation amount may exceed billed charges on one or series of claims.

This process reduces the amount of manual intervention required by the claims examiner. However, examiner intervention may still occur and result in manual processing for reasons other than the application of obligation, e.g. coordination of benefits, authorizations, etc.

### Post-production review

Through the month of October and into early November we continue to review and monitor the process to ensure it is working appropriately and correctly. Amerigroup Kansas identified the following areas of data risk which providers should be aware and monitor:

- The data load logic may have resulted in an inappropriate assignment. Member selection, multiple assigned providers (e.g. agency and self-directed services through two different providers) and general data logic errors could result in assignment errors.
- Data artifacts within the state's obligation fields (e.g., retroactive changes, errors in the data during the data query periods, etc.) could result in CO amounts that are not reflective of the current amount.
- Member data may have reflected zero CO amounts at query resulting in the member not being assigned a provider at all.

We appreciate providers bringing any error to our attention promptly through your assigned provider relations representative. Amerigroup Kansas will work quickly to remedy any identified errors and correct the claim payments appropriately.

#### **CO notification of changes**

Amerigroup notifies providers and members of changes in CO after receipt of notification from the state. Amerigroup has a Notice of Action (NOA) that is sent to the provider. The NOA includes member information, CO amounts and contact information should there be any questions regarding the assignment. Assignment is made only after an assessment by Amerigroup personnel with respect to services and total CO of the member. In specific cases, assignment may be made to more than a single provider. For historical assignments, Amerigroup strives to remain aligned with prior practices.

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- Member data may have reflected zero CO amounts at query resulting in the member not being assigned a provider for obligation assessment.

We appreciate providers bringing any error to our attention promptly through your assigned Provider Relations Representative. Amerigroup will work quickly to remedy any identified errors and correct the claim payments appropriately.

#### **Overpayment reconciliation**

Due to CO assignment changes, both in assignments and obligation amounts, as well as the potential for manual intervention during claim payment, providers have options for payment reconciliation:

- Proactively identify and reimburse Amerigroup Kansas for overpayments. Providers may use the refund notification form located on the Amerigroup Kansas website at: [providers.amerigroup.com/ProviderDocuments/KSKS\\_RefundNotif.pdf](https://providers.amerigroup.com/ProviderDocuments/KSKS_RefundNotif.pdf). Complete the form and submit with a check representing the overpayment amount to the address indicated. Amerigroup Kansas will make claim adjustments based on the data provided within 30 days.
- Request a claim adjustment for either over or underpayments through the claim appeal process. Amerigroup Kansas follows a set process for claim adjustments that process will generally take 30-45 days to complete.

If you experience any issues with the claim adjustment process, please contact your provider representative at the first opportunity.

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**Staff training and process surety**

Amerigroup Kansas continuously trains staff in appropriate market specific procedures. We are currently concluding training for our long-term services and supports (LTSS) staff in the use of the new CO data extension which will facilitate the entry of CO data at the provider level. The LTSS staff is trained on CO notification and plan of care update processes. Amerigroup Kansas believes this process is working well but still welcomes provider input on making the process better.

**Contact information**

Providers should contact Provider Services at 1-800-454-3730 or their assigned Provider Relations representative at 1-877-434-7579 with any CO issues.