

Update: MMIS Status

January 2017

Xerox Became Conduent Effective January 3, 2017

Xerox State Healthcare, LLC is the current Alaska Medicaid fiscal agent for the Department of Health and Social Services (DHSS). Earlier this year, it was announced that Xerox State Healthcare, LLC will separate from the parent company, Xerox Corporation, and become a new independent, publicly-traded company called Conduent Incorporated. Once the separation occurs, Xerox will be rebranded as “Conduent State Healthcare, LLC.” The shift to the Conduent brand name began on January 3, 2017.

Xerox has been working diligently to ensure a smooth transfer and has assured DHSS of a seamless transition. We are pleased to let you know that the same knowledgeable individuals will continue to support your Medicaid needs. Mailing addresses and phone numbers will not change as a result of the transition.

We encourage Alaska Medicaid providers to check the provider portal at <https://medicaidalaska.com>, the provider updates page at <http://manuals.medicaidalaska.com/docs/updates.htm>, and monthly provider newsletters at <https://medicaidalaska.com/portals/wps/portal/NewsLetters> for additional information. For more information about Conduent, visit <http://conduent.com>.

Questions? Please contact Provider Inquiry at 907.644.6800, option 1, 1, or toll-free in Alaska at 800.770.5650, option 1, 1, 1.

Payments: From November 23, 2016 through January 11, 2017, an average of 110,557 claims totaling \$35.9 million was paid on a weekly payment cycle.

| Final Payment Cycle Date | Total Paid Claims | Total Denied Claims | Total Reimbursement Amount |
|--------------------------|-------------------|---------------------|----------------------------|
| 1/11/2017 | 117,773 | 33,014 | \$43,369,703.48 |
| 1/4/2017 | 105,812 | 27,585 | \$31,383,267.61 |
| 12/28/2016 | 92,884 | 32,558 | \$28,007,094.12 |
| 12/21/2016 | 119,269 | 32,790 | \$39,789,664.86 |
| 12/14/2016 | 118,159 | 31,701 | \$39,644,290.02 |
| 12/7/2016 | 118,740 | 29,320 | \$38,121,427.22 |
| 11/30/2016 | 90,594 | 23,330 | \$26,142,046.92 |
| 11/23/2016 | 121,386 | 32,038 | \$40,406,051.56 |

December Fixes and Updates:

Claims with Third Party Liability attached not appropriately receiving exception 6430. Claims with third party explanation of benefits (EOB) attached should suspend and receive exception 6430 to allow a claims processor to verify the attached information before making a payment determination. Beginning December 17, 2016, claims with EOB attachments have processed without suspending for verification potentially causing overpayment in some instances. Conduent is actively working to correct the system. Any affected claims will be identified and reprocessed to ensure third party payments were applied appropriately.

Service Authorization Detail Portlet. An issue with the Provider Service Authorization Detail portlet was identified in mid-December making service authorization details unavailable to providers in the Provider Service Portal. The portlet was restored on December 31, 2016 and providers may now review service authorization details.

Mental Health claims erroneously denied for rendering provider exceptions. Mental Health providers started to receive erroneous denials on December 17, 2016 for exception 3155, *The claim is professional and Rendering Provider NPI not on file*, exception 3175, *The Rendering Provider NPI on the claim matches multiple Medicaid provider IDs*, and exception 3315, *The Rendering Provider ID on the Claim is not an authorized Rendering Provider*. Mental Health providers are not required to bill a rendering provider at this time. All affected claims were identified by Conduent and reprocessed during the 1/4/17 and 1/11/17 payment cycles. A system correction occurred January 7, 2017.

Update: MMIS Status

January 2017

Void requests submitted electronically. Providers submitting void requests electronically may have been affected by an issue that started in November causing void requests to post a processing error delaying the overall processing time. On December 17, 2016, a code change was implemented to prevent void requests from erroring out in the system.

Waiver providers receiving exception 3651, Waiver mod billed not valid bed count. Some waiver claims recently began suspending for exception 3651. A code correction is being developed in the system to read the begin and end dates on the provider's enrollment file and match that to the Residential Supported Living bed modifier submitted on the claim. Claims will be suspended and manually processed until the code change is implemented.

Inpatient claims now read service authorization admission date. Conduent implemented a code change in December that allows the system to read the dates of service on an inpatient service authorization instead of the admit date to determine covered days. This change will assist in calculating the correct number of covered days to ensure appropriate payments on inpatient claims.

November Fixes:

Home Health claims not pricing per the outpatient percent rate. Home Health claims had recently been pricing at zero dollars in the system for specific revenue codes. A system correction was implemented November 12, 2016 to allow this claim type to calculate payment at an outpatient percent of charges. All claims paid at zero have been identified and are being reprocessed to reflect the correct reimbursement amount.

Exception 4912, This Procedure Code Requires Pricing, posting on some Waiver claims. Some Waiver claims were suspending for manual pricing to verify the waiver pricing region. The issue occurred for some Waiver providers with multiple address segments in their provider enrollment file. A system correction was made on November 12, 2016 to ensure the active servicing address on the waiver provider's enrollment file is used to determine the waiver region for correct pricing.

Out-of-State Nursing Home/Long Term Care claims auto-adjudicate. Conduent implemented an enhancement on November 12, 2016 that will allow the system to automatically price and adjudicate claims for out-of-state long term care facilities.

Service Authorization Updates and Edits:

Exception Code 8040, Service Authorization Units Exceeded. Changes have been made to the system's service authorization logic for exceptions 8040 and 6709. Conduent has been reviewing claims and SAs affected by this issue in stages: specific authorization types, claims denied after October 1, 2013 with the new SA numbers (10 digits), and claims denied after October 1, 2013 with old SA numbers (8 digits). Conduent personnel are reviewing all paid claims with associated service authorizations for unit discrepancies. Authorization comparisons are complete for all affected authorization types and claims reprocessing has begun.

The table below provides the list of authorization types that have been updated. Future claims reprocessing may be required but sufficient notice will be provided prior to any recoupments of overpayments.

| Updated Authorization Types | |
|--|-------------------------------|
| Inpatient Hospital - Inpatient Psych, Inpatient Hospital – UM | Home Health Services |
| Outpatient Hospital / CAMA Treatments, Pharmacy Drugs | Residential Psych |
| Professional, Private Duty Nursing, Outpatient Hospital/ASC – UM | DME/Medical Supplies |
| Behavioral Rehab Services, CAMA Treatments, Hospice | Radiology |
| Home Infusion Therapy, Hearing Aids & Hearing Aid Supplies | Waiver |
| Transportation & Accommodation (Non-Emergent) | Mental Health Services |
| Transportation (Emergent) | Enhanced Adult Dental Service |
| Dental, Vision | Personal Care Attendant |

Update: MMIS Status

January 2017

Claims Reprocessing:

Reprocessing of Payout Claims. Conduent is working on identifying and reprocessing all claims impacted by early system issues that resulted in erroneous claim denials.

Some key areas being reprocessed include, but are not limited to:

- Federal Qualified Health Center for Licensed Clinical Social Worker and Psychologists
- Behavioral Health claims denied for exception 3155
- CHA/P inappropriate multiple cutbacks
- RBRVS rate
- Inpatient weekend and length of stay cutbacks
- Medicare cross over reprocessing, (1994 and zero pays where co-insurance and deductible information was not mapped correctly)
- Tribal Encounter and Retro Rate

Recoupment areas processing in January and February include:

- Enhanced Adult Dental overpayment. Letters were sent to affected providers on December 23, 2016.
- Behavioral Health overpayments for service limit exceptions and service authorization utilization
- Waiver services overpayments for exception 6600, Exact Duplicate
- Personal Care services overpayments for duplicate charges
- Dental claims reimbursed with multiple encounter rates
- Overpayments for duplicate drug screens
- Overpayments made due to batch type error between cross-over and regular Medicaid claim
- Overpayments on WAC pricing drug codes
- Long Term Care claims applying patient liability on adjustments resulting in overpayment
- Overages on inpatient claims priced by percentage of allowed charges
- Waiver claims overpaid due to Patient Paid Amount not being deducted from final reimbursement
- Duplicate Encounter payments
- Vision and TCM claims that didn't receive exception 7800, UR Limit Met, resulting in overpayment

Potential Recoupment Notices: As MMIS corrections and enhancements are implemented, Conduent is reprocessing any affected claims. In certain instances, providers may have previously received overpayment for services. These claims have been identified and are being validated. Providers identified with overpayment claims where the RA is greater than 120 days old will receive a Recoupment Notice letter detailing the overpayment amount, repayment options, and the appeal process.

Expired Licenses, Certifications, Permits and Grants

Providers may have recently noticed that claims have been suspended for expired licenses with the new year. If the appropriate licenses are not updated through the Provider Enrollment Department, claims will deny. Please note: All provider licenses, certifications, permits and grants must be current to prevent claims from suspending or denying. Please submit a copy of all renewed licenses, certifications, permits and grants to Conduent as soon as you receive your updated documents. You may submit copies to Conduent by fax to 907.646.4273 or by mail to:

Conduent State Healthcare
 Attn: Enrollment Services
 P.O. Box 240808
 Anchorage, AK 99524-0808

Questions? Contact Provider Enrollment at 907.644.6800, option 2, or toll-free in Alaska at 800.770.5650, option 1, 3.

Update: MMIS Status

January 2017

NPI Matching, Taxonomy and Zip+4:

MMIS improvements have been implemented and more are being developed that should lead to better NPI matching and reduced suspense volume for NPI multi-match issues. **If they have not already done so, providers are strongly encouraged to know and make use of their taxonomy codes and servicing address zip+4 listed on their provider file.**

For renderers affiliated with more than one group, and/or providers with multiple billing IDs, use of this information is critical to appropriately identifying the proper entity for payment. Failure to include taxonomies and zip+4s that match your provider file may result in adjudication delays and an increase in your suspended claim volume.

Call Center Support:

If you need to contact Conduent, the following times are traditionally the lightest periods and you should experience a shorter call wait time than if you call at peak periods.

| Department | Lighter Call Periods | Contact Information |
|---|--|--|
| Provider Enrollment | From 8:00-9:30 a.m. After 2:00 p.m. | In Anchorage: 907.644.6800 (option 2) Outside Anchorage: 800.770.5650 (option 1, 3) |
| Provider Relations Unit - Provider Inquiry | From 8:00-9:30 a.m. After 2:00 p.m. | In Anchorage: 907.644.6800 (option 1, 1) Outside Anchorage: 800.770.5650 (option 1, 1, 1) |
| Provider Relations Unit - Member Eligibility | From 8:00-9:30 a.m. After 2:00 p.m. | In Anchorage: 907.644.6800 (option 1, 2) Outside Anchorage: 800.770.5650 (option 1, 1, 2) |
| Service Authorization | From 8:00-9:30 a.m. After 2:00 p.m. | In Anchorage: 907.644.6800 (option 5) Outside Anchorage: 800.770.5650 (option 1, 2) |
| EMC HIPAA (EDI, Electronic Billing) | From 8:00-9:30 a.m. After 2:00 p.m. | In Anchorage: 907.644.6800 (option 3) Outside Anchorage: 800.770.5650 (option 1, 4) |

Outstanding Claim Inventory:

The table on the following pages summarizes the exception codes that are receiving special monitoring. It does not provide reporting on all exception codes. The status reported is as of January 11, 2017.

The “Providers Impacted” column lists the provider types affected by the exception code if there are more than 100 claims associated with the provider category. The Impacted Claims column reflects the total number of claims suspended for each exception. These numbers and the provider types change daily as new claims are received and additional improvements, processing and outreach occur. As issues are resolved, these suspended claims are released for processing and potential payment in the weekly cycle.

Even when a change is implemented, it can take several processing cycles to determine that it is working effectively. Exceptions highlighted in green represent a substantial drop (>20%) in inventory compared to the inventory last quarter.

Update: MMIS Status

January 2017

Status of Processing Outstanding Claim Inventory

| Legend for Providers Impacted | | | |
|-------------------------------|---|---------|---|
| Code | Description | Code | Description |
| ASC | Ambulatory Surgical Center | NURS | Nurses – Private Duty, RN, Agencies |
| BH | Behavioral Health | PCA | Personal Care Agency |
| BRS | Behavioral Rehabilitation | PHAR | Pharmacy |
| CCA | Care Coordinator Agency | PHYS | Physicians |
| DENT | Dental Groups and Dentists | RPTC | Residential Psychiatric Treatment Center |
| DME | Durable Medical Equipment Supplier | RSL | Residential Supported Living |
| FPC | Family Planning Center | SBS | School Based Services |
| FQHC | Federally Qualified Health Center | SNF/ICF | Skilled Nursing/Intermediate Care Facility |
| HCB | Home Community Based Agency | TCM | Targeted Case Management |
| HEAR | Hearing Aid Specialist | THER | Therapists – Speech, Physical, Occupational |
| HHA | Home Health Agency | THRCTR | Occupational/Physical Therapy Center |
| HOSP | Hospital – In-patient and out-patient | TRAN | Transportation – Taxi, Ambulance, Air |
| HPRF | Health Professional Group | TRB | Tribal Hospital or Clinic |
| ICFMR | Intermed Care Fac for Mentally Retarded | TRVL | Travel Accommodations |
| LAB | Independent Lab/X-ray | VISION | Optometrist, Vision Contractor |

The following inventories represent original submitted claims only. Voided and adjusted claims have been excluded.

| Edit/EOB Code | Description | Providers Impacted | Impacted Claims | % Change | Status |
|---------------|--|--|-----------------|----------|---|
| 1882 | Claim exceeds timely filing and no proof of timely filing attached | All Provider Types | 845 | -46% | Conduent has received instructions on processing claims for timely filing and is working to apply this logic to suspended claims and claims that may have denied in error. Providers are reminded that claims must be submitted within 12 months of the date of service. |
| 2950 | Payment cannot be made. The member is locked into another Provider | FQHC HPRF PHYS TRB | 755 | -56% | Reviewers manually audit claims to determine if a referral is valid so that the claim can be approved for payment. |
| 3321 | Rendering Provider Certification Expired | DME HPRF PCA RSL | 494 | 73% | This exception will recycle for 60 days and if the certification is not updated the claim will deny with Exception 3660 (Rendering Provider Cert Expired – Deny). |
| 3329 | Billing Provider License Expired | All Provider Types | 30 | -94% | Outreach is being made to affected providers. As licenses are updated, the claims are released. Providers that have renewed licenses should submit them to Provider Enrollment. |
| 3620 | Billing Provider NPI matches multiple IDs | Electronic Claims ALL provider types that require NPI | 7037 | 109% | If the Billing Provider NPI matches multiple IDs, the MMIS cannot determine which provider record to use for processing. Provider outreach continues to help providers understand how to submit claims correctly if the issues are caused by failing to submit with the service location zip +4 code, using an incorrect taxonomy, or submitting on the wrong paper form. Additional MMIS changes are in development to improve automated provider record matching. |
| 3700 | Provider on review | HPRF PCA RSL TRB | 0 | -100% | These claims continue to be analyzed to determine if additional providers may be taken off review. |

Update: MMIS Status

January 2017

| Edit/EOB Code | Description | Providers Impacted | Impacted Claims | % Change | Status |
|---------------|---|--|-----------------|----------|--|
| 3832 | Medicaid coverage – Waiver claim excluded | CCA HCB RSL | 585 | -54% | |
| 4076 | Review for Medical justification – Prof Claim Types | HPRF TRAN AIRAMB | 4087 | -55% | These claims are suspending correctly. Fiscal Agent nurses must manually review attached medical justification before claim is processed. Conduent has added additional resources in an effort to reduce this backlog. |
| 4105 | Diagnosis Requires Review by the State | FPC HPRF | 16 | -48% | Claims are suspending correctly and being reviewed as part of normal processing. |
| 4596 | The diagnosis code qualifier or version is not a valid value. | All Provider Types | 160 | -53% | This is primarily affecting claims submitted on paper. Any claim that is suspended for this code is manually reviewed and processed. If the incorrect version is submitted on the claim form, the claim will be denied. |
| 4645 | Out of State Pricing Segment Not Found | DME FPC HPRF RSL HOSP | 1246 | -41% | Conduent assigned additional resources to assist with these claims. |
| 4829 | Outpatient Institutional Rate for Provider on the Claim cannot be found, or Dates of Service are not within Institutional Rate Pricing Span | HOSP TRB | 661 | 24% | This exception's inventory fluctuates. Research is ongoing to see if claims are related to out of state providers and/or other issues need to be addressed. |
| 4912 | Procedure code requires pricing | DENT DME FPC HPRF LAB TRAN TRVL | 414 | -10% | This exception occurs when all pricing methodologies have been exhausted and the calculated allowed amount is zero. Analysis is ongoing to determine if prices can be established for the codes currently suspending for this exception. |
| 4916 | Procedure / Modifier combination Pricing segment is set to Manual Review | DENT DME HOSP HPRF LAB | 1194 | -3% | This exception posts when a rate is not on file for the specified combination and the claim requires manual pricing. Ongoing evaluation of these combinations occurs to determine if new pricing criteria should be adopted. |
| 6060 | TPL is indicated on the claim but no TPL Policy is found for the Member on File | All Provider Types | 17746 | 32% | These claims are manually reviewed for accuracy. Providers must submit a valid TPL EOB with the claim to assist with TPL validation. |
| 6430 | Cost Avoid for no TPL \$ but EOB exists | All Provider Types | 0 | -100% | |
| 8040 | Service Authorization Units Fully Exceeded | BH DENT PCA CCA HCB TRAN TRVL DME RPTC | 0 | -100% | Conduent continues to work on issues related to Service Authorizations. See detailed update on the Service Auth cleanup and 8040 issue. Providers are reminded to verify service authorization limits prior to rendering and billing services. |