

Administrative Simplification Policy Guidelines

Simplification Area: Credentialing and Adjudication

Topic: Effective Date for Claims Adjudication

Objective: Clarify requirements for practitioners & standardize where possible

Background:

To ensure a high standard of patient safety and quality of care, and to comply with accreditation requirements and federal/state regulations, health plans credential a practitioner AND have a contract in place that covers that practitioner before the practitioner can be paid for services rendered to covered members. Once a Credentialing application is approved, and/or a contract is signed, claims systems must be updated to accept claims from the practitioner. So that practitioners do not bear financial risk for providing services during the system update period, various area health plans adjudicate claims as of the credentialing approval date or contract date, whichever is later.

In an effort to achieve administrative simplification for the practitioner community, participating health plans have agreed upon common guidelines that describe when claims will be adjudicated for a newly contracted practitioner completing the credentialing process.

Guidelines:

These guidelines are intended to define the effective date of claims adjudication for a newly contracted practitioner completing the credentialing process.

If practitioners have questions about these guidelines, they are encouraged to contact the health plan. Health plan contacts are posted in the Forum's Contact Directory at <http://www.wahealthcareforum.org/healthplaninfo/contact/index.htm>.

TITLE: HEALTH PLAN EFFECTIVE DATE FOR CLAIMS ADJUDICATION

PURPOSE: Define the effective date of claims adjudication for a newly contracted practitioner completing the credentialing process

EFFECTIVE: December 1, 2001

This document does not preempt any terms or conditions that may be specified in contracts between health plans and practitioners.

Primary Stakeholders:

Physicians/Physician groups
Practitioners/Practitioner groups
Health Plans

Definitions:

Physician = Doctor of Medicine (MD) or Doctor of Osteopathy (DO)

Practitioner = Professional who is licensed, certified or registered by the State to provide health care services

Health Plans = Health care contractors which provide benefits/care to enrollees

Managed Care Product = Insurance products that typically require a Primary Care Physician (PCP), who is contracted with the health plan, to be designated for a member

Indemnity Products = Insurance products that do not require a PCP to be designated for a member

Contract(s) = Any type of agreement(s)/contract(s) between the Health Plan and individual, group, clinic etc.

Retroactive = For this policy it means back to the credentialing committee approval date or the contract(s) effective date whichever is later

Contract effective date(s) = The effective date specified in the contract

Credentialing effective date = The day a Credentialing Committee approves the physician/practitioner to participate

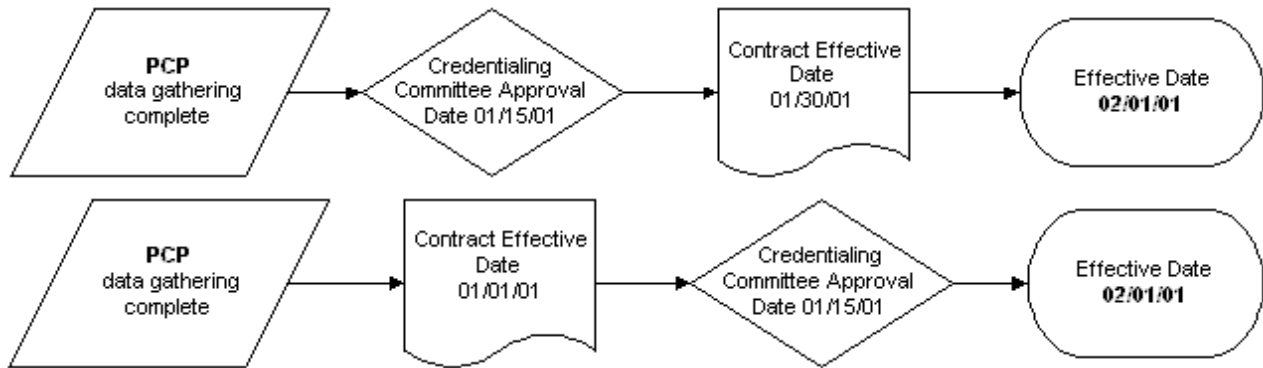
Delegated Credentialing = An arrangement between organizations where the delegate has been reviewed and approved to conduct credentialing activities on behalf of a delegating organization.

Effective Date Scenarios:

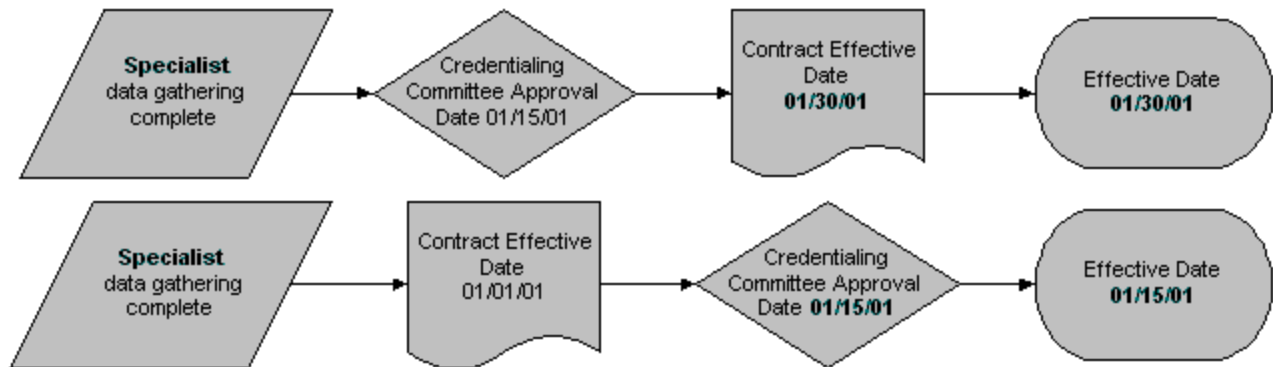
Claims will be adjudicated retroactively to either the credentialing committee approval date and/or the contract effective date, whichever is later, unless otherwise specified in the contract. For managed care arrangement(s)/contract(s), the effective date for claims adjudication will be the first month for Primary Care Physicians/Practitioners following the credentialing committee approval and/or contract(s) effective date whichever is later.

Managed Care Products

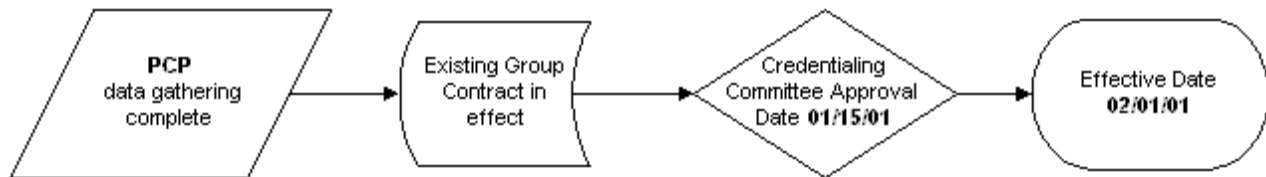
- New Primary Care Physicians/Practitioners joining with a new contract(s) are effective on the first day of the month following either the credentialing committee approval date or the contract(s) effective date whichever is later.



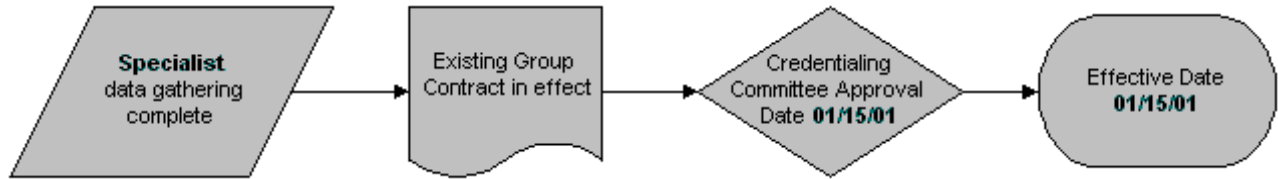
- New consultant Specialists joining with a new contract(s) are effective either on the credentialing committee approval date or the contract(s) effective date whichever is later.



- New Primary Care Physicians/Practitioners joining an existing contract(s) are effective on the first day of the month following the credentialing committee approval date.

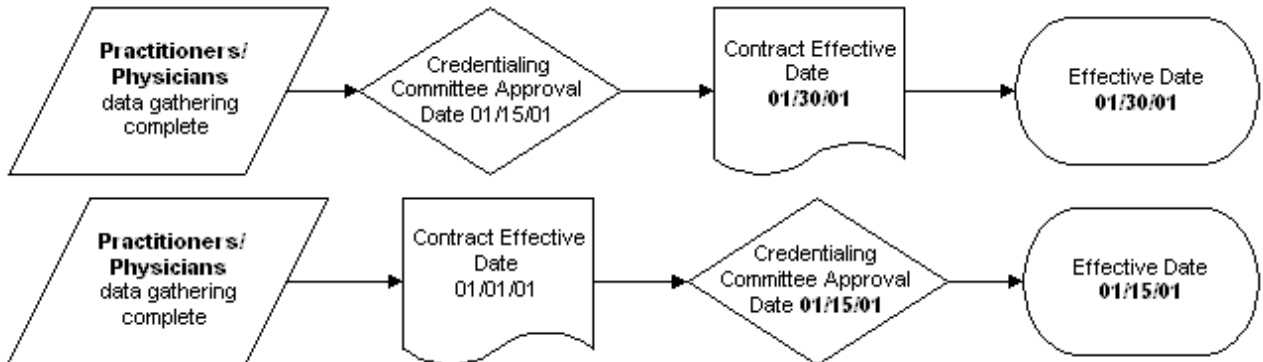


- New consultant Specialists joining with an existing contract(s) are effective on the credentialing committee approval date.

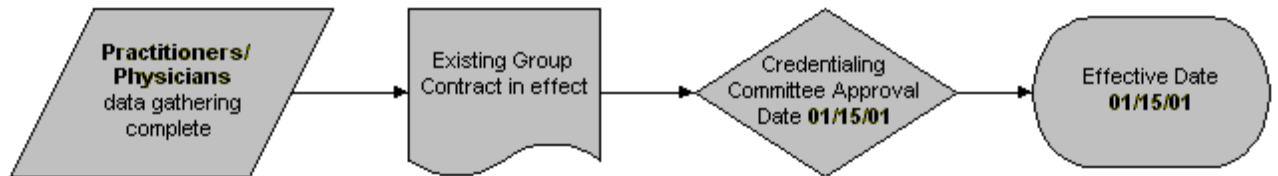


Indemnity/Non-Managed Care Products:

- New physicians/practitioners joining with a new contract(s) are effective either on the credentialing committee approval date or the contract(s) effective date whichever is later.



- New physicians/practitioners joining an existing contract(s) are effective on the credentialing committee approval date.



All Products – Managed Care & Indemnity:

- When physicians/practitioners are joining with both new managed care and indemnity contract(s) they generally will not be effective at the same time, based on the scenarios noted above.
- When physicians/practitioners are joining existing managed care and indemnity contract(s) they generally will not be effective at the same time, based on the scenarios noted above.

Medical Group(s) with Delegated Credentialing:

- New physicians/practitioners joining an existing contract(s) are effective on the medical groups credentialing committee approval date.
- New physicians/practitioners joining with a new contract(s) are effective either on the medical groups credentialing committee approval date or the contract(s) effective date whichever is later.

Time Frames to Complete the Process:

From the day accurate and complete paperwork (new application/contract) is received from the physician/practitioner the time frame to adjudicate a claim(s) on a processing system under the terms of a contract(s) will take between sixty (60) and one hundred twenty (120) working days.

Claims will be adjudicated retroactively to either the credentialing committee approval date and/or the contract effective date whichever is later or as noted above (i.e., managed care).

Key milestones:

The days indicated below may be in tandem or in sequence depending on the internal processes of the organization.

- Credentialing process including Committee approval/denial. 30-60 days
- Processing of the contract(s)/data to load on the claims system(s). 30-60 days
- Notification of approval stating the effective date for claims adjudication. 5-10 days

Credentialing/contract(s) issues can extend the time an additional 30-60 days

Notification of Approval:

- Non-delegated physicians/practitioners will be notified of their effective date for the purpose of claims adjudication.

- Claims will be adjudicated retroactively to either the credentialing committee approval date and/or the contract effective date whichever is later or as noted above (i.e., managed care products).
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