

**Association of Northern California Oncologists
Oncology Reimbursement 2010**

**Fighting Payor Abuse -
How to Identify and Stop Unfair Payment
Practices**



Presented by
CMA Center for Economic Services

Today We'll Discuss:

CMA Resources to assist your practice

- CMA ON-CALL System
- CMA Alert
- CMA Toolkits
- CMA Reimbursement Helpline

Important California laws that protect physicians

- Claim submission deadlines
- Claims payment timeframes
- Interest and penalties on late payments
- Timeframes for appeal
- Authorizations
- Overpayment notices
- Fee schedule disclosure

Reporting Abuses



CMA Resources

3

- **CMA ON-CALL - California Medical Association's Information-On-Demand Service**
 - Sample Document #0124 in your handouts
 - ON-CALL Index in your handouts
- **CMA Alert** – Bi-weekly newsletter on important issues that affect physician practices
- **CMA Toolkits**
 - Best Practices – free download at www.cmanet.org/bestpractices/
 - Taking Charge – free download for members only
 - Back to Basics – free download for members only coming soon!
 - Payor Profiles – free download for members only
 - Mini-toolkits – free download for members only
 - Educational Webcasts – members only can view presentations

Available at www.cmanet.org



What Are the Claim Filing Deadlines?

4

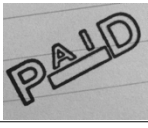
- **Timeframe to submit claims cannot be less than:**
 - 90-days for contracted physicians
 - 180-days for non-contracted physicians
(C.C.R § 1300.71 (b)(1))
(Insurance Code §10133.66 (a))
There is a “good cause” exception!
- **Payers must forward misdirected claims (specific to HMO claims)**
 - Within 10-days
(C.C.R § 1300.71 (b)(3))
- **Payers must verify receipt of claims**
 - 2-days for electronic
 - 15-days for paper
(C.C.R § 1300.71 (c)(1)(2))
(Insurance Code §10133.66 (c))



CMA Member Resource – ON CALL Documents #0146 and #1070



When Does My Claim Need to be Paid, Contested or Denied?



5

- HMOs – 45 working days
- PPOs – 30 working days
- ERISA – 30 calendar days
- Medi-Cal & Medi-Cal Managed Care - 30 calendar days
- Medicare – 30 calendar days
- Workers' Comp – 45 working days



What Are the Penalties For Late Payment?

6

| Payer Type | Penalty |
|---------------|---|
| HMOs | <ul style="list-style-type: none"> • Non-emergent – 15% of amount due per annum • Emergent - > of \$15 or 15% per annum • \$10 surcharge per claim if plan fails to pay automatically |
| PPOs | <ul style="list-style-type: none"> • Non-emergent – 10% of amount due per annum • Emergent - > of \$15 or 10% per annum |
| ERISA | None |
| Medi-Cal | .25% of amount due per day |
| Medicare | 5.75% per year (see U.S.C §1395u(c)(2)(B)) |
| Workers' Comp | Payment is increased by 15% + 10% per annum |




CMA member resource-ON CALL Document #0124



What Are the Appeal Timeframes?

7

| Payer Type | Timeframe |
|--|---|
| PPOs and other insurers (except ERISA) | Consult your contract and/or provider manual – but don't wait! |
| HMOs (and their contracting IPAs/Medical groups) | Within 365 days of the date of the last action– but don't wait! (28 CCR § 1300.71.38 (d)) |
| ERISA | Appeal rights lie with the patient, but you can help.  See CMA ON CALL Document 0122. |
| Medi-Cal | Within 90-days of the action. Refer to Medi-Cal website. |
| Medicare | Redetermination is 120-days. Refer to manual for additional appeal timeframes. |
| Workers' Compensation | Two years from the date the claim with the injured worker is settled. |



I Obtained a Prior Authorization But the Payor Denied Payment...

8

- Once an authorization is obtained, plans and insurers are prohibited from rescinding or modifying the authorization after the physician renders the service in good faith for any reason, even if the payor later determines the patient wasn't eligible.
(Health & Safety Code §1371.8 and Insurance Code §796.04)
- If care is authorized, physicians must be paid even if the plan/insurer made a mistake or the patient was not covered or eligible for the specific services provided.
- Violations should be reported to the regulator and CMA!!



CMA member resource-ON CALL Document #0145



Overpayment Notices

9

- Requests for refunds must be made in writing within 365 days of the date of payment
- Overpayment notices to physicians must identify:
 - Patient name
 - Date of service
 - Amount payer believes was overpaid
 - Reason for overpayment
- Disputes must be made in writing within 30 working days
- Payer must process the dispute and respond prior to offsetting



CMA member resource-ON CALL Document #0135



Fee Schedule Disclosure

10

- Payers must fully disclose complete fee schedules and payment rules
(28 C.C.R §1300.71(o), Business & Professions Code §511.4, Insurance Code §10133.6)
- Material modifications to contract, including changes to fee schedule, require 45 working days advance notice to physician with the option to terminate the contract if physician is not in agreement with change
(Health & Safety Code § 1375.7, Insurance Code § 10133.65)




CMA member resource-ON CALL Document #1070



Reporting Abuses

11

- Appeal to the payer

- File a complaint with the regulator
 -  CMA ON CALL Document# 1051 provides instructions (**CMA will help members file complaints**)

- Call CMA



CMA Can Help!



12

- CMA's members only reimbursement helpline
(888) 401-5911

CMA's Center for Economic Services Contact Info:

| | |
|---------------|--------------|
| Frank Navarro | 916/551-2046 |
| Jodi Black | 916/551-2863 |
| Aileen Wetzel | 916/551-2037 |
| Michele Kelly | 213/226-0338 |
| Desiree Rice | 916/551-2865 |

CMA's members only legal helpline 800/786-4262

