Claims Timeliness Requirements

Effective January 1, 2013

Introduction

Ralph T. Hudgens

Commissioner of Insurance

Key Topics of Discussion

- Claims Timeliness Overview
- Highlights of Legislative Changes
- Updates to File Layout
- Cover Letter
- Secure Server Uploads
- Best Practices

Claims Timeliness Overview

- Georgia code requires the timely payment or denial of all claims under a health benefit plan.
- O.C.G.A §§33-24-59.5 and 33-24-59.14 – Definitions; timely payment of health benefits; notification of failure to pay; penalties; applicability.

Who is required to submit?

- All Health Insurers and Administrators issuing payment of benefits under a health benefit plan.

- NOTE – Broader category based on update to O.C.G.A §33-24-59.5 – Now includes all Georgia-licensed administrators.

How should data be submitted?

- Via electronic data format
- Submitted no later than 45 days after the close of the reporting period (quarter).
  - 1st quarter – May 15
  - 2nd quarter – August 15
  - 3rd quarter – November 15
  - 4th quarter – February 15

Highlights of Legislative Changes

Effective January 1, 2013

- Claims identified by method of submission
  - Paper submission – 30 calendar days
  - Electronic submission – 15 working days
- Administrators (definition per O.C.G.A §33-23-100) servicing self-insured plans are required to submit
- Interest for non-compliant claims revised to 12%
- Administrative penalty may apply for compliance rates less than 95% per quarter

Updates to File Layout

- Additional field (highlighted in red on File Layout)
  - Field 14 - identification of paper or electronic submission

Field	Field Name	Start	Width	Description
14	METHOD OF SUBMISSION	86	1	E – Electronic claim submission P – Paper claim submission

Updates to File Layout

- Clarified fields (highlighted in blue on File Layout)
  - Field 6 – “First Response Date” If claim is paid/denied and no additional information is requested, then Field 6 “First Response Date” and Field 9 “Final Disposition Date” should be the same
  - Field 7 - “First Response Type” – Note Description “A” – ADJUSTMENT indicator has been deleted.
  - Field 11 - “Final Disposition Amount” should NOT include interest amount. Interest amount should be in Field 16.

Cover Letter

Several fields require additional information within the submission cover letter (highlighted in blue on File Layout)

- Field 7 – “First Response Type” – Claim lines with an indicator “O” for Other
- Field 10 – “Final Disposition Type” – Claim lines with an indicator “A” for Adjustments or “O” for Other
- Field 12 – “Processing Entity” – Each claim line should include a two digit indicator

Cover Letter

Other fields requiring additional information within the submission cover letter (highlighted in blue on File Layout)

- Field 13 – “Type of Claim” – Claim lines with an indicator “K” for Other

- Field 15 – “Interest Paid” – Claim lines with an indicator of “O” for NOT in accordance with §33-24-59.5 or §33-21A-7(c)

Sample Cover Letter

May 16, 2016

Debra Pierce, AMCM, PIR
Chief Market Conduct Examiner
Division of Insurance and Financial Oversight
Georgia Department of Insurance
2 Martin Luther King, Jr. Drive
Suite 602, West Tower
Atlanta, Georgia 30334

Re: Quarterly Claim Report for 1st Quarter 2016

Dear Mrs. Peirce,

Enclosed is a signed affidavit confirming the data uploaded via uplink to the secure website of RRC on May 15, 2016. The upload contains the quarterly data for the above referenced period, pursuant to Georgia Department of Insurance Directive 13-Exam-2.

Name of Entity	Processing Entity Indicator	Type of Claim Indicator	Number of Electronic Claim Lines	Number of Paper Claim Lines	Total Number of Claim Lines	Final Disposition Amount
Main Company Name	00	A or A, B , etc. if more than 1 type of claim	9,999,999	9,999,999	9,999,999	$107,999,999.00
Name of Pharmacy Vendor	01	J				
Name of Dental Vendor	02	C				
Name of Vision Vendor	03	D				
Name of Medicare Vendor	04	G				
Control Totals	N/A	N/A				

Provide specific verbiage to discuss any items in the file layout that needs to be explained. Specifically, fields 7, 10, 13 and 15. (Example: Field 10 – If Final Disposition Type is coded as an "A" please provide detailed verbiage explaining what is considered an adjustment for your Company – i.e., "Adjustments include claims where an additional payment was applied or where a refund was received from the provider…….").

If you have any questions with the data file, please do not hesitate to contact me.

Sincerely,

Secure Server Uploads

- All companies will upload their electronic data file through a secure FTP site
  - Include data, cover letter, and signed affidavit
  - Original affidavit should be mailed to GA DOI

- Detailed written instructions will be provided with usernames and passwords

Best Practices

- Validate Data prior to submission
  - Cover letter totals reconcile to data file submission
  - Data follows field positions in the file layout
  - All final disposition dates are within the reporting quarter

Best Practices

- Reconcile data
  - Provide a reconciliation of data totals to quarterly/annual statement
  - Explain adjusting entries needed to reconcile
  - Ensure completeness of data file

Best Practices

- Include all claims including those processed by vendors such as:
  - Dental, Pharmacy, Vision, etc.
- Consider “claim paid date” vs. “mail date”

Contact Information

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