Greater Tompkins County Municipal Health Insurance Consortium

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"Individually and collectively we invest in realizing high quality, affordable, dependable health insurance."

RESOLUTION NO. 024-2019 - MEDICAL CLAIMS AUDIT ACTION ITEMS FOR EXCELLUS BLUECROSS BLUESHIELD

MOVED by Ms. Hersey, seconded by Mr. Brown, and unanimously adopted by voice vote by members present.

WHEREAS, the Greater Tompkins County Municipal Health Insurance Consortium (GTCMHIC) is a self-insured municipal cooperative health benefit plan organized pursuant to Article 5-G of the New York State General Municipal Law, and

WHEREAS the GTCMHIC is operating pursuant to a Certificate of Authority issued by the New York State Department of Financial Services pursuant to Article 47 of the New York State Insurance Law, and

WHEREAS, the Consortium contracts with a licensed New York State Article 43 Not-For-Profit Insurance Company, Excellus BlueCross BlueShield, for the administration of the various hospital, medical, and surgical plans offered to the participating municipal employers in the Consortium, and

WHEREAS, the Consortium's Board of Directors contracted with BMI Audit Services, LLC to conduct an audit of the claims adjudication processes at Excellus BlueCross BlueShield to include claims paid between January 1, 2017 and December 31, 2018, and

WHEREAS, the Consortium's Executive Director, Executive Committee, Audit & Finance Committee, and the Consortium's Plan Consultant, Locey & Cahill, LLL, have reviewed the audit findings in substantial detail and recommended actions for each substantive finding previously reported to the Board of Directors, now therefore be it

RESOLVED, on recommendation of the Audit and Finance Committee, That the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors hereby approves the following actions to "close-out" this medical claims audit:

1. **Deductibles-Diagnostic Laboratory Tests**

    a. Preventative Services as deemed appropriate by the United States Preventative Services Task Force (USPSTF) are to be covered with no patient cost-sharing when they are performed as part of a routine medical care visit.

    b. Additional preventive care services are to be paid with no patient cost sharing when said services are required to be paid pursuant to guidance provided by the Federal Government, such as the guidance provided by IRS Notice 2019-45.

    c. The Consortium hereby agrees that Excellus may pay other similar services with no patient cost share when it is demonstrated to the Consortium's satisfaction that doing so is the most cost-effective way to adjudicate said diagnostic laboratory tests.

    d. In all other cases, if a diagnostic laboratory service or other diagnostic test is performed as part of a "sick visit", these services should be paid subject to the cost sharing (deductible, coinsurance, and/or copayment requirements of the plan.

Excellus BlueCross BlueShield is hereby directed to provide the Consortium with information demonstrating that Excellus' administrative process and practice of considering lab tests as a covered in full benefit when they are not related to a preventative or routine level of care is in the financial best interest of the Consortium.

2. **Proper Coding**
   Excellus has set a precedent allowing claims adjudicators the latitude to modify procedure codes and manually reprice claims when providers bill with unlisted codes. Excellus BlueCross BlueShield is hereby directed to provide the Consortium with information demonstrating that Excellus' administrative process and practice of modifying procedure codes and manually repricing claims when providers bill with unlisted codes is in the financial best interest of the Consortium. The Consortium further requests that Excellus put in place an administrative process by which it will notify providers who bill with unlisted codes advising them that such practice is not allowed and that all future claims must be billed properly, or they could be denied and returned to the provider for proper coding.

3. **Over the Counter Items**
   Excellus is hereby directed to ensure its systems are duly noted for the Consortium indicating that the Consortium plans cover medical supplies that are required for the treatment of a disease or injury. The files should also be noted that the Consortium also covers maintenance supplies (e.g., ostomy supplies) for conditions covered under its filed and approved Certificates. All such items must be in the appropriate amount for the treatment or maintenance program in progress. The Consortium does not cover over the counter medical supplies. The Plan document of the Consortium specifically outline coverage for diabetic supply coverage and specifically exclude over the counter items. Excellus is directed to adhere to the language in the plan documents and deny over the counter items accordingly.

4. **Add-on Codes**
   Add on codes are always performed with a primary procedure or service and are not supposed to be reported as a stand-alone code. Although Excellus relies on the National Coding Guidelines in conjunction with their Utilization Management Programs, it is the Consortiums contention that Excellus should not override the system and Excellus should discontinue paying add on codes as stand-alone services unless it can demonstrate to the Consortium's satisfaction that doing so is in the financial best interest of the Consortium. Excellus BlueCross BlueShield is hereby directed to provide the Consortium with information demonstrating that Excellus' administrative process and practice of paying stand—alone claims submitted with an add-on code is in the financial best interest of the Consortium. Failure to provide said satisfactory proof as requested will result in the Consortium directing Excellus to adhere to the national coding standard for physician and other health care services and procedures and discontinue the practice of paying add on codes as stand-alone codes which has been identified as an incorrect practice in past audits.

5. **Maximum Number of Units Allowed**
   Claims submitted with a total number of units above the maximum allowed units should be denied and not paid as a percent of charges. Excellus is directed to adhere to service limits associated with certain procedure codes and that language in provider contracts should not allow for services to be billed in excess of these limits. Furthermore, Excellus is directed to perform an audit of claims paid above the maximum service limits and report back to the Consortium on to the extent the Consortium's funds have been paid in error.

6. B – Codes

BMI noted that a status B code (99050) was billed with no indication that it was a "bundled" service. As a result, the procedure should have been considered a component of, or incident to, the overall service provided, and separate reimbursement should not have been issued. It was further identified that Excellus utilizes ClaimsXten edits, which align with Centers for Medicare and Medicaid Services (CMS) payment rules and as such the claims for 99050 were paid in error. Excellus is instructed to follow CMS and deny these services accordingly.

7. Unbundling

National Correct Coding Initiative Program (NCCI) edits do not allow codes 98940 and 98941 to be billed together by the same provider for the same date of service, especially when Medicare is primary and NCCI is not applicable on secondary to Medicare claims for EHP. As a result, the Consortium hereby requests Excellus to implement the necessary software edits to prevent this type of overpayment from occurring in the future.

8. Foot Care Benefits

As indicated in the Consortium's plan document which was written utilizing New York State Department of Financial Services Model Language, routine footcare is excluded unless the member has a specific medical condition or disease resulting in circulatory deficits or areas of decreased sensation in the legs or feet. Excellus is hereby directed to exclude those American Medical Association (AMA) Current Procedure Terminology (CPT) Codes for all items classified as "foot inserts" from coverage under the Consortium's hospital, medical, and surgical contracts.

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STATE OF NEW YORK)
) ss:
COUNTY OF TOMPKINS)

I hereby certify that the foregoing is a true and correct transcript of a resolution adopted by the Greater Tompkins County Municipal Health Insurance Consortium Board of Directors on September 26, 2019.

Michelle Cocco, Clerk of the GTCMHIC Board