

REPORT ON THE PERCENTAGE OF MEDICAID CLAIMS THAT WERE INITIALLY REJECTED IN THE FIRST QUARTER OF FY2012

(FY2012 Appropriation Bill - Public Act 63 of 2011)

April 1, 2012

Section 1832: (1) The department shall continue efforts to standardize billing formats, referral forms, electronic credentialing, primary source verification, electronic billing and attachments, claims status, eligibility verification, and reporting of accepted and rejected encounter records received in the department data warehouse. (2) The department shall convene a workgroup on making e-billing mandatory for the Medicaid program. The workgroup shall include representatives from medical provider organizations, Medicaid HMOs, and the department. The department shall report to the legislature on the findings of the workgroup by April 1 of the current fiscal year. (3) The department shall provide a report by April 1 of the current fiscal year to the senate and house appropriations subcommittees on community health and the senate and house fiscal agencies detailing the percentage of claims for Medicaid reimbursement provided to the department that were initially rejected in the first quarter of fiscal year 2011-2012.

*Michigan Department
of Community Health*



**Rick Snyder, Governor
Olga Dazzo, Director**

**FY2012 Boilerplate Report - Section 1832(3)
Percentage of Medicaid Claims
Rejected in the First Quarter**

Month	Received	Rejected	Percentage Rejected
Oct 2011	1,552,361	332,953	21.4%
Nov 2011	1,578,325	359,169	22.7%
Dec 2011	1,415,767	310,341	21.9%

Note: Medicaid Claims were rejected for the following reasons in order of occurrence:

1. The services are not covered under the beneficiaries' eligibility or the claim exceeds program limitations
2. Invalid or missing data
3. The claim is a duplicate of a paid claim or a claim in the system
4. The beneficiary has other insurance or Medicare
5. The combination of procedures billed is not allowed under the National Correct Coding Initiative
6. Prior authorization requirements are not met