



STATE OF MICHIGAN

DEPARTMENT OF COMMUNITY HEALTH

LANSING

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GOVERNOR

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DIRECTOR

August 2009

Correction Note: Any claims submitted into the legacy system on or after **August 20, 2009**, if they suspend, will be automatically rejected with edit 743 and transferred into CHAMPS.

Dear Fee for Service Provider:

The Michigan Department of Community Health (MDCH) continues to make progress in the transition to the new claims processing system called the Community Health Automated Medicaid Processing System (CHAMPS). This new web-based application will replace the existing 30 year-old legacy mainframe system by providing greater functionality and faster response time. This significant milestone for MDCH will require patience and cooperation from the provider community as the State teams work together to ensure that CHAMPS implementation is a success.

One of the first implementation activities is migrating all existing suspended claims within the current legacy system into CHAMPS. To accomplish this, a phased approach will be used to reject these claims in the legacy system and later resurrect them in CHAMPS. Providers will be able to track all claims that will be migrated in this manner by accessing their current Remittance Advice.

Beginning **August 12, 2009** (Pay Cycle 32), any suspended claims that have duplicates will be rejected with:

- Proprietary edit 713 (Claim rejected as it is a duplicate of another suspended claim. Do not resubmit.)
- Claim Adjustment Reason Code (CARC) 18 and Remittance Advice Remark Code (RARC) N185

The oldest original claim will remain suspended in the legacy system. There is no need to submit a new claim.

Any remaining suspended claims in the legacy system beginning **August 26, 2009** (Pay Cycle 34) and extending through **September 9, 2009** (Pay Cycle 36), will be rejected with:

- Proprietary edit 743 (Claim manually rejected due to technical reasons.)
- CARC 101 and RARC N185

As stated above, please do not resubmit these claims as they will be migrated into CHAMPS.

**NOTE:** Any claims submitted into the legacy system on or after **August 27, 2009**, if they suspend, will be automatically rejected with edit 743 and transferred into CHAMPS.

All remaining claims will be converted into CHAMPS before the Go-Live date of September 18, 2009. Three years of claim history will be available for users to review at Go-Live. After October 1, 2009, MDCH will begin the process to resurrect all claims that rejected earlier with proprietary edit 743 for adjudication in CHAMPS. One of the following possible dispositions will occur:

- The claim will suspend with the normal resolution process
- The claim will reject due to technical or business reasons
- The claim will be Paid

All of the above dispositions will be reported with applicable CARCs or RARCs to providers through the Remittance Advice in CHAMPS.

Claims will not be recreated in CHAMPS if:

- The claim was submitted without a reported Billing National Provider Identifier (NPI)
- The Rendering/Service Only NPI was incorrectly reported in the Billing NPI loop/field
- The Provider has not revalidated in the CHAMPS Provider Enrollment system

These claims will need to be corrected and resubmitted by the provider to successfully adjudicate in CHAMPS.

Paper claims (CMS-1500) with other insurance that have been rejected with proprietary edit 743 should be resubmitted via the electronic Health Insurance Portability and Accountability Act of 1996 (HIPAA) 837 or through the CHAMPS Direct Data Entry (DDE) screens. The final plan for this process is still being developed and further details will be communicated when finalized.

The legacy system will continue to accept and process claims during this transition period until September 9, 2009, at which time the adjudication system will be closed to prepare for CHAMPS implementation.

Thank you again for your continued support and participation with the Medicaid Program. Any questions regarding the claim migration process should be directed to Provider Inquiry by using the toll-free phone number 1-800-292-2550 or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov).

Sincerely,

A handwritten signature in cursive script that reads "Stephen Fitton".

Stephen Fitton, Acting Director  
Medical Services Administration