REPORT ON THE PERCENTAGE OF MEDICAID CLAIMS THAT WERE INITIALLY REJECTED IN THE FIRST QUARTER OF FY2013

(FY2013 Appropriation Bill - Public Act 200 of 2012)

April 1, 2013

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 2012-2013.

Michigan Department of Community Health

M DCH

Rick Snyder, Governor
James K. Haveman, Director

FY2013 Boilerplate Report - Section 1832(3)
Percentage of Medicaid Claims
Rejected in the First Quarter

Month	Received	Rejected	Percentage Rejected
October 2012	1,526,033	380,920	25.0%
November 2012	1,543,319	375,775	24.4%
December 2012	1,347,620	336,077	24.9%

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

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