



Nebraska Department of Health and Human Services Health Plan Advisory

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TO: Nebraska Heritage Health Plans

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Division of Medicaid & Long-Term Care

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RE: Managed Care Clean Claims and Interest Payments

This Health Plan Advisory (HPA) is being issued to provide guidance to the Heritage Health Plans on the processes required in the Heritage Health contracts for reimbursement of interest payments to providers when a clean claim has been pended for payment by the Managed Care Organization (MCO) more than 60 days.

What is a clean claim? As defined in the contract and by federal regulations, a clean claim is a claim, received by a MCO for adjudication, that requires no further information, adjustment, or alteration by the provider of the services, or by a third party, in order to be processed and paid by the MCO. It does not include a claim from a provider who is under investigation for fraud or abuse, or a claim under review for medical necessity.

When is interest applied? As defined in the contract, the MCO must pay providers interest at an annualized rate of 12%, calculated daily for the full period in which a payable claim remains unpaid beyond the 60-day claims processing deadline. Interest owed to the provider must be paid the same day that the claim is adjudicated.

Claims Resubmission. As defined in the contract, if a claim is partially or totally denied because the provider did not submit the required information or documentation with the claim, then the remittance advice must specifically identify all the required information and documentation not submitted. Resubmission of a claim with the necessary information/documentation shall constitute a new claim for purposes of establishing the time frame for claims processing, including payment of interest.

Please note that claims that have been rejected or denied correctly are not eligible for interest payments.

Medicaid Health Plan Advisories, such as this one, are posted on the DHHS website at <http://dhhs.ne.gov/medicaid/Pages/HealthPlanAdvisories.aspx>. The "Recent Web Updates" page will help you monitor changes to the Medicaid pages.