

PROVIDER BULLETIN

No. 13-01

Date: January 11, 2013

TO: All Medicaid Providers

FROM: Vivianne M. Chaumont, Director 
Division of Medicaid & Long-Term Care

BY: Jeanne Larsen, Deputy Director

RE: Intent to Eliminate Paper Claim Submissions

**PLEASE SHARE THIS INFORMATION WITH ADMINISTRATIVE,
CLINICAL AND BILLING STAFF.**

The Division of Medicaid and Long-Term Care, Nebraska Department of Health and Human Services is reviewing the administrative processes for Medicaid claims in an effort to transform them to a more efficient, cost-effective and integrated business model. To improve efficiencies and streamline processes, Nebraska Medicaid intends to eliminate paper claim submissions. Providers will need to file all claims electronically, whether it's directly from a provider, through a billing service, or through a practice management software vendor, who have an approved clearinghouse or trading partner relationship with Nebraska Medicaid.

Currently, Nebraska Medicaid receives approximately 68% of Medicaid claims through electronic claims submission. The remaining 32% is received via paper claim submissions. This results in the need for screening and data entry of nearly 90,000 claims per month, over a million claims annually.

There are many advantages to providers in submitting claims electronically, some of which are:

- Decreased costs for labor, printing, postage, and handling to both the provider and Medicaid.
- Electronic claims tend to be a cleaner claim, which improves auto adjudication and turnaround time for claims.
- With electronic claims, the provider receives immediate notification that a claim has not been completed properly, is missing critical fields, and has failed compliance.
- With electronic claims, the provider receives confirmation of an actual receipt, which eliminates questions on lost claims and the need to resubmit duplicates for the same.
- Less staff time to chase paper claims.

- With a clearinghouse, there is one single relationship to manage a provider's electronic claim submissions. There is opportunity for single batch processing on a daily basis with a clearinghouse for all patients across Medicare, Medicaid and other third party carriers and insurance plans as opposed to managing the paper and mailings for each.
- Ability to trade other electronic transactions such as eligibility and claim status requests.

Some trading partners and other specialized vendors provide a web portal which is a web site that provides personalized data entry capabilities, providing an electronic pathway or gateway to other resources on the Internet (trading partners, Medicare, Medicaid, and other third party carriers and insurance plans).

We are soliciting input from providers who continue to submit paper claims.

- Are you currently in the process of converting to electronic claim submissions at this time or during 2013?
- If no, have you conducted research on electronic claim submissions regarding administrative processes, provider requirements, and cost-savings? Note that some insurance companies provide an EDI savings calculator on their websites.
- Has consideration been given to trading electronic claim transactions via a provider web portal sponsored by a trading partner or clearinghouse?
- What are the barriers or challenges that may hamper the ability of your office to submit claims electronically?
- Should the State consider exceptions to this requirement and, if so, what should be considered valid reasons for noncompliance?

To learn more about the Electronic Data Interchange (EDI) with NE Medicaid, please visit our EDI Homepage at: http://dhhs.ne.gov/medicaid/Pages/med_edindex.aspx. There you will find information on Frequently Asked Questions (FAQs), Testing Requirements, those EDI Trading Partners in production with Nebraska Medicaid, and a host of other information regarding EDI. Additionally, if you have questions and would like to speak a representative of the EDI Helpdesk, please call Medicaid EDI Help Desk at 866-498-4357 (toll free) or 471-9461 (in Lincoln) or send an email to: DHHS.MedicaidEDI@nebraska.gov.

We encourage you to include any other feedback that may not be covered in the above questions. **Feedback will be received through Monday, February 4th at the following email address:** DHHS.MedicaidEDIFeedback@Nebraska.gov. Please include your contact information in your response should we have any follow-up questions.

Thank you for your time in assisting with this inquiry.