

# North Carolina Medicaid Special Bulletin



An Information Service of the Division of Medical Assistance  
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**September 2015**

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**Attention:  
All Providers**

## Claim Reprocessing for Hospitals and Medicare Crossover Claims

*Providers are responsible for informing their billing agency of information in this bulletin.*

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NCTracks is preparing to reprocess claims affected by two distinct situations:

1. Diagnosis-Related Group (DRG) weights and teaching hospital ratio cost to charge (RCC) rates, and,
2. Qualified Medicare Beneficiaries (QMB) reimbursement

### **DRG Weight Reduction & Teaching Hospital RCC Change**

Session Law 2014-100, Senate Bill 744, stipulated that DRG weights were to be reduced 2.1 percent and in-state hospitals' DRG rates be set to the statewide median rate effective Jan. 1, 2015. This change was implemented in NCTracks on June 10, 2015. In addition, a change was implemented on July 11, 2015, to correct teaching hospitals' inpatient RCC rates.

### **QMB Claims Paid at 100 Percent of Cost Share**

As explained in the NCTracks [July 15, 2015 announcement](#), changes implemented on March 1, 2015, in the processing of Medicare crossover claims for services rendered to QMBs are not aligned with the federal Centers for Medicare & Medicaid Services' (CMS) latest guidance to state Medicaid plans. This has resulted in the over payment of some claims. Based on guidance provided by CMS to DMA, the "lesser of" logic will be applied to services covered by both Medicare and Medicaid that are rendered to QMB recipients. For provider claims submitted between March 1, 2015 and July 19, 2015, NCTracks will recoup any payments made for cost share for both covered and non-covered services and the re-payment will be only for services covered under Medicaid based on the lessor of logic calculation.

### **Details of Claim Reprocessing**

To address the above changes, NCTracks is preparing to reprocess all inpatient claims from in-state and out-of-state hospitals from January 1, 2015 through July 19, 2015.

The affected claims will be reprocessed in the Sept. 29, 2015 checkwrite and appear in a separate section of the paper Remittance Advice (RA) with a unique Explanation of Benefits (EOB) code. If the claim was reprocessed due to DRG weight or RCC rate change, then EOB 06051 - REPROCESSING FOR 2015 DRG RATES AND WEIGHTS CHANGES will be assigned. If the claim is reprocessed due to QMB cost share change, then EOB 06052 - REPROCESSING FOR CHANGE IN QMB CROSSOVER CLAIM PAYMENT METHODOLOGY TO LOWER OF LOGIC will be applied. If both situations apply to a claim, then EOB 06052 will appear on the RA.

The 835 electronic transactions will include the reprocessed claims along with other claims submitted for the checkwrite. (There is no separate 835.)

**Note:** In both situations, reprocessing does not guarantee payment for the claim. While some edits may be bypassed as part of the claim reprocessing, changes made to the system since the claims were originally adjudicated may apply to reprocessed claims. Therefore, the reprocessed

claim could deny. If there are not sufficient funds to satisfy the full recoup amount from claims paid in the Sept. 29, 2015 checkwrite, the recoup process will continue on each checkwrite until the full amount due is recouped.

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