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Chapter Three – Encounter Processing

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I. INTRODUCTION

The purpose of this chapter is to provide Contractors with the sequence of events that occur for encounter processing and to provide the criteria that Arizona Health Care Cost Containment System (AHCCCS) uses to determine when encounter files and/or individual records are acceptable.

Record layouts for each of the four (4) form types (837P – Form A/1500s, 837D/ADA – Form D, 837I – Form B/UB04, and NCPDP – Form C) can be found in the following documents:

- X12N 005010 technical reports at www.azahcccs.gov/Resources/Downloads/HIPAA/5010/2010/May/X12NActual005010TR3ErrataStatusReport.pdf.
- National Council for Prescription Drugs Programs (NCPDP) Post Adjudication History (PAH) Version 2.2 implementation guide at www.azahcccs.gov/Shared/Downloads/EDI/CompanionDocuments/AZ_NCPDP_ENC_CG.pdf
- Health Insurance Portability and Accountability Act (HIPAA) 5010 Consortia and Documentation at www.azahcccs.gov/Resources/EDI/consortium.html.

Record layout for the status file (277U) may be found in the X12N 3070 implementation guide. In addition, the AHCCCS Encounter Companion Documents www.azahcccs.gov/Resources/EDI/ and shared provider/reference files have supplemental information to assist with the submission of encounter data.

II. ENCOUNTER FILE PROCESSING BY AHCCCS

Encounter data is scheduled to process in the Pre-paid Medicaid Management Information System (PMMIS) twice a month. The first processing cycle is scheduled to begin on the first Friday after the first Wednesday of the month (see the link below for details on Encounter Processing Schedules). Files placed in the wrong path and/or folder or those which cannot be recognized and validated by AHCCCS will not be processed. AHCCCS will not provide notification of such errors, and additional file processing will not occur.

For the first cycle, newly submitted Encounter (New Day) Files, Pend Correction Files, and all currently pended encounters will be recycled regardless of the action taken by Contractors. All replacement and voided transactions will be processed. The Reinsurance Case Creation cycle will run immediately following the completion of the first processing cycle.

The second processing cycle is scheduled to begin on the third Friday following the third Wednesday of the month. For the second cycle, pended corrections submitted since the first cycle will be processed; however, pended encounters with no action will not be recycled.

Replacement and voided transactions for original encounters associated with reinsurance (RI) are NOT PROCESSED IN THE SECOND ENCOUNTER CYCLE. They are left in Staging with a "W" (waiting) status and will be processed in the first cycle of the following month. Online overrides should not be processed during the first or second cycles. Contractors will receive cycle reports and files only for encounters processed only for encounters processed during the submitting period. The Encounter Processing Schedules are available on the AHCCCS website under AHCCCS Encounter Resources section at

www.azahcccs.gov/PlansProviders/HealthPlans/encounters.html#Encounter_Processing_Schedules.

III.   ENCOUNTER DATA FILES SUBMITTED BY CONTRACTORS

There are two (2) primary types of encounter data files submitted by Contractors:

- New Encounter Submissions (837P, 837I, 837D, NCPDP):
    - New Encounter Files include encounters submitted to AHCCCS for the first time, encounters resubmitted to AHCCCS after being rejected by validation, translation or mainframe edits, replacements (resubmissions), and voids.
- Pended Encounter Corrections:
    - Contractors submit allowed corrections for encounters that failed the edit and audit process and were returned on the Pend File. This file is the accumulation of all current and previously pended encounters. Not all AHCCCS mainframe edits/audits allow this type of correction.

Encounter data must be transmitted electronically to the AHCCCS Secure File Transfer Protocol (SFTP) Server at https://sftp.statemedicaid.us/. Files must be placed in the appropriate Contractor folder on the SFTP server site for processing.

Contractors may submit encounter files as often as desired throughout the month, and multiple files may be submitted on the same day. Duplicate files should not be submitted. Each file is date and time stamped with the date/time the file is uploaded to the AHCCCS server. Contractors are assigned a directory on the SFTP Server for placing plan submitted "incoming" and AHCCCS deposited "outgoing files." When logging in to the AHCCCS SFTP Server Contractors must first choose between Arizona (AZ) and Hawaii (HI) directory paths. After choosing AZ, the next selection "XXX" represents Contractors' three (3) character name abbreviation. Within each Contractor's SFTP Server directory are folders designed for specific data exchange purposes.

Refer to section 4.6 of the Communications/Connectivity Information (CCI) Companion Guide, for file size/length and volume limits (inbound transmissions) and electronic data interchange (EDI) file naming standards.

The following are the directory structure and file naming standards for depositing incoming encounter files:

- New Encounter Submission files 837 and NCPDP PAH (pathsftp/AZ/XXX/prod/edi-in/file name):
    - XXX = the 3-character mnemonic (name abbreviation) assigned to each contractor by AHCCCS.
    - Contractors can use their naming convention if the file name is unique.
    - This path is restricted to 837 and NCPDP PAH version files.
    - These files must not be zipped.
- Pended Encounter Correction path: sftp/AZ/XXX/prod/in/file name:
    - XXX = the 3-character mnemonic (name abbreviation) assigned to each Contractor by AHCCCS.

NOTE: There are two (2) "in" and "out" folders for each Contractor. The "in folder" for pended encounters is **prod/in/**. Incoming 837 New Day encounters are to be placed in the **prod/edi-in/** folder. AHCCCS will place outgoing encounter pend reports in the **prod/out** folder. AHCCCS places response files to New Day file submission in the **prod/edi-out** folder. These files must be zipped. An AHCCCS file naming convention is required for submitting Pended Encounter Corrections: AZSTNDPLANIDTSNXMMDDYY.SEQ. The Proprietary file name standard is:

- AZ = Arizona,
- STND = PEND (Pend Corrections),
- PLANID = Contractor six-byte plan identification number,
- TSN = Contractor Plan ID three-byte transmission supplier number,
- 1 = One-byte code distinguishing denied encounter files from other encounter files.
    - The '1' value indicates all other encounter files, including pend correction files.
- MMDDYY = Current date, and
- SEQ = Sequence number used to identify transmission of multiple same-day files and to distinguish unique file names. Duplicate file names are not accepted.

IV.   AHCCCS DATA ACCESS FORMS

Contractors gain access to the SFTP Server by AHCCCS acceptance upon proper completion and submission of the following forms located at https://azahcccs.gov/PlansProviders/ISDresources.html:

- Electronic Data Exchange Request Form
    - The Electronic Data Exchange Request Form is used by providers and vendors who need to request an electronic data exchange account for the AHCCCS Electronic File Transfer (EFT) Server. If requesting a new account, this form must be accompanied by a signed External User Affirmation Statement.

- External User Affirmation Statement
  - o The External User Affirmation Statement is an agreement signed by external users who have access to the AHCCCS computer network and data. Users who sign this statement agree to abide by all applicable laws, rules, and AHCCCS directives.

Contractors must submit personal data exchange application forms and affirmation statements for each staff member who requires access to the SFTP Server to place or remove encounter-related files or data. The AHCCCS Information Services Division (ISD) Customer Support Center is the primary contact for all questions related to submitting electronic transactions and data. The preferred method of communication is via email. All inquiries result in Ticket Number assignment and problem tracking. The contact information is:

Email: EDICustomerSupport@azahcccs.gov

Telephone Number: (602) 417-4451

Hours: 7:00 AM – 5:00 PM Arizona Time, Monday through Friday

Information required for initial inquiry:

Customer Name

Organization Name

Customer Email Address

Customer Telephone Number

Health Plan ID/Provider ID/Submitter ID

Transaction ID Inquiring About

Applicable IS/GS Control Numbers

Topic/Nature of Problem (setup, connectivity, etc.)

Information required for follow up inquiry:

Ticket Number assigned by the Customer Support Center

V. CONTRACTOR ADMINISTRATIVE DENIALS/ZERO PAYMENT ENCOUNTER SUBMISSIONS

As previously stated, before an encounter is submitted to AHCCCS, a service must be completed, and the provider's claim or encounter must be finalized Paid, Denied for Administrative reasons, or Zero Medicaid Payment by Contractors. AHCCCS requires Contractor Administratively Denied and Zero Medicaid Payment (except for transplants) 837P, 837I, and 837D encounters to be submitted in separate files from paid encounters. Claims with multiple lines that result in "mixed-status" (paid and denied lines) should be split appropriately and submitted in the appropriate files. See Chapter 6, "How To" for additional guidance.

Contractor Administrative Denials encounters are defined as Contractor adjudicated claims that have been denied or non-covered in full for only specific types of administratively related reasons. Denials for administrative reasons represent those claims which are for valid Medicaid covered services provided to eligible members by enrolled and eligible providers that Contractors denied for these administrative reasons:

- Failure of the provider to obtain a required Prior Authorization (PA),
- Untimely submission of the claim to Contractors,

- Provider billed units are more than the Medicaid service benefit limits, and
- Provider's failure to supply required claims supporting documentation for the following scenarios:
    - The provider included primary payer data, the claim would have been paid; because of a lack of coordination of benefits (COB) data, claim was denied.
    - The provider submitted the correct claim form, the claim would have been paid; because of incorrect claim form, claim was denied.
    - The provider submitted supporting documentation, the claim would have been eligible for payment; because of missing documentation, the claim was denied.

Zero Medicaid Payment encounters are encounters for which Contractors did not deny the claim but paid zero due to primary payment and no pass thru or no secondary payment was made under Medicaid, etc. The zero paid designation should not be used for any situations where services are not paid due to bundled payment arrangements such as the Federally Qualified Healthcare Centers (FQHC); services are not paid as they fall under a sub-capitated arrangement of any type (including "Block purchase," "Case Rates," etc.). Denied/Zero Medicaid Payment 837 files must have the input mode of '6' in Loop 1000A NM109, the value of 'AHCCCSDENIED' in GS03 (per current companion document located at
https://www.azahcccs.gov/Resources/Downloads/EDIchanges/EDIchangesAZ837ENCCG.pdf) and **add the extension of '.deny' to the file name**.
NCPDP Administratively Denied/Zero Payment encounter reporting file specifications are located within the AHCCSS website at
https://www.azahcccs.gov/Shared/Downloads/EDI/CompanionDocuments/AZ_NCPDP_ENC_CG.pdf.
These files will undergo limited validator syntax editing and, when they pass validation, will be moved to the mainframe as a denied/zero payment file. These claims will have an encounter status code of 43 = adjudicated/denied by Plan. Files that fail validation must be corrected and resubmitted by the Contractor.

VI.   CONTRACTOR ENCOUNTER FILE HOLD REQUESTS

On a limited basis, AHCCCS can support requests to hold submitted encounter files. Contractors needing to hold an encounter file before the encounter processing cycle must submit the request to the DHCM Encounter Manager and Technical Coordination Unit (TCU) via email at
TCURequests@azahcccs.gov. All Encounter File Hold Requests must be received no later than noon one (1) day before the scheduled PMMIS encounter processing date. All requests must appropriately identify the location and name of the file the Contractor(s) are requesting to have held.

VII.   INSTITUTIONAL SUBMISSIONS WITH NON-COVERED LINES FOR INVALID CODE SET

AHCCCS requires 837I encounters with non-covered lines containing invalid codes to be submitted in separate files from paid or denied encounters. These institutional encounters with an invalid code set at the line must have the line denied or non-covered. While all other data elements are identical to paid files, these files must have 'AHCCCSPARTIAL' in GS03 (per the current companion guide).

These files will undergo validation syntax editing and after passing validation, will be moved to the mainframe as a paid file. See Chapter 6, "How To" for additional guidance.

VIII.   FILE VALIDATION - TRANSACTION INSIGHT (TI)

All 837 files are subject to AHCCCS's front-end validation edits. When Contractors submit encounters through TI, the validator reviews the data and its validity. These transactions are then passed to WebSphere Transaction Extender 8.1 (WTX) for translation onto the mainframe for processing. Contractors can log in to their account and correct failed validation transactions. Once corrected, the transactions are sent to WTX for translation and onto the mainframe for adjudication. For additional information regarding validation reports and error correction, refer to the Transaction Insight Portal (TIP) Users Guide provided electronically to Contractor staff upon obtaining a validation User-ID and password or when validation upgrades are implemented.

The TI Portal allows the use of a browser to view reports about HIPAA EDI processing. This includes the number and types of transactions processed by date, error rates and types, and success rates. These can be filtered in various ways. In addition, users with the appropriate permissions can view specific transactions at multiple levels of detail.

Following validation of each New Encounter Submission File, results are generated by AHCCCS and placed in the Contractor's outgoing SFTP directory-prod/edi-out. Files that fail validation must be resubmitted. Following file validation, the data within the file is also validated. Data that passes validation is translated and placed on the mainframe for processing.
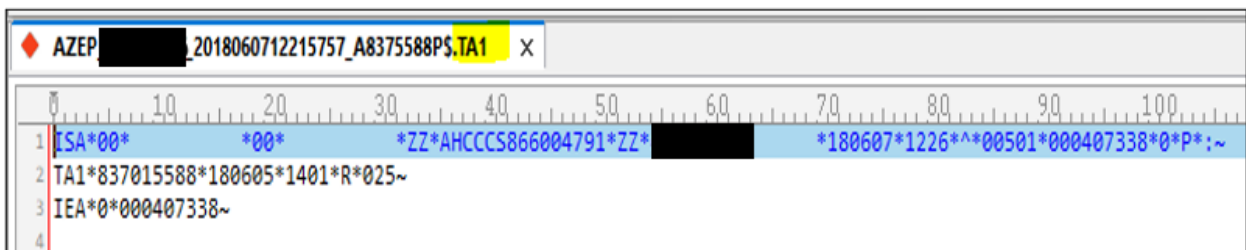
Pend Correction and NCPDP PAH Files undergo limited validation to ensure the files are readable and cataloged adequately within the system. The edit checks on the Pend Files validate the presence and format of the data.

IX.   VALIDATION FILES PRODUCED BY AHCCCS

Following 837 file validation, applicable TA1, 999, 824, and 277CA files are placed in each Contractor's outgoing directory. These files provide validation results and pass/fail status of each encounter or file.

TA1 Interchange Acknowledgment:

The TA1 Acknowledgment is used by AHCCCS to notify Contractors of errors in the interchange control structure. The TA1 verifies X12 envelopes only.

999 Functional Acknowledgment:

The 999 Functional Acknowledgment is used by AHCCCS to acknowledge each 837 functional group that has passed or failed translator edits.

824 Acknowledgment:

The 824 Acknowledgment is used by AHCCCS to report 837 syntactical problems or data structure errors.

277CA Claims Acknowledgment:

The 277CA is an acknowledgment of an 837 transaction at the pre-adjudication stage. This transaction identifies claims that are accepted or rejected for adjudication. A summary level and an individual claim level pre-adjudication status, is included in the 277CA.

For outgoing acknowledgment files, the encounter SFTP directory structure and file naming convention is **837 Acknowledgment path: SFTP/XXX/prod/edi-out/filename.**

XXX = the 3-character mnemonic (name abbreviation) assigned to each contractor by AHCCCS.

File Name Convention for Acknowledgment Files:

AZEt_HPPLANID_ccyymmddhhmmssss_originalfilename. (TA1, 999, or 824).

Following NCPDP and Pend Correction File validation, the file pass/fail information is placed in the Contractors' outgoing SFTP directory-Pend=prod/out and NCPDP=prod/edi-out.

NOTE: NCPDP PAH files with a validation error will be placed in the outgoing directory with a **.bad** extension.

NCPDP PAH 2.2 Acknowledgments:

Inbound filenames can be any name designated by the Health Plan/Program Contractor but should not exceed 29 characters. Files should be rendered in a standard text file format and should not have a .tmp, .zip, and/or any other application file extension. NCPDP PAH 2.2 files that fail validation will be returned to the Health Plan EDI-Out directory with the original filename and a **.REJECT** file extension.

Correct files that are accepted will simply add "ACK" to the first section of the filename.
Example: AZENACK_HP123456_2016052617290989_AZNCPDP1100070401052316.002.TXT (this is the original filename).

Incorrect rejected files will also add the "ACK" to the first section of the filename and add the word "REJECT" to the end of the filename just before the extension.
Example: AZENACK_HP123456_2016060216105814_2016052319580898NCPDP.REJECT.TXT.

X.   ASSIGNMENT OF AHCCCS CLAIM REFERENCE NUMBERS (CRNS)

Data that passes validation is translated and moved to the mainframe to be loaded for processing. Contractors should monitor the load/no-load status of their files. (See Chapter 6 for details on how to monitor the load status of files). Each encounter record is assigned a unique Claim Reference Number (CRN) when loaded into the adjudication system. AHCCCS subsequently uses the CRN to identify the encounter record and determine the encounter receipt date for timeliness calculations. A CRN is derived from the following information:

- **Julian Date (digits 1 - 5)** (xx = year and xxx = day of the year 1-365/6):
  - This date reflects the receipt of the New Day encounter file in Julian date format.
- **Batch Number (digits 6-9)** (Sequence 0001-9999)
- **Document Number (digits 10-12)** (Sequence 001-999)
- **Line Number (digits 13-15)** (Sequence 001-999):
  - This number applies to detail lines only.

XI. ADJUDICATION SYSTEM EDITS AND AUDITS

Each encounter record is evaluated against a series of claim-processing like adjudication edits and audits. The acceptable values and relational edits required for successful encounter adjudication are contained in the member enrollment, provider and reference files routinely provided to each Contractor by AHCCCS. When Contractors' claims adjudication systems utilize the most updated information in these files, AHCCCS editing should produce limited pended/denied encounters.

Adjudication Edit Process:

The adjudication edit process examines data fields necessary for the processing and adjudication of the encounter. These edits involve data quality checks of items such as member and provider information, dates of service, service and diagnosis codes, and Contractor payment data. When an encounter passes the edit checks without errors, it is then evaluated by the adjudication audit process.

Adjudication Audit Process:

The adjudication audit process evaluates the encounter against encounters already in history or other lines within the same claim for duplicates, potential duplicates, and service/benefit limits. Encounters must pass both edits and audits to be finalized and placed in history within the adjudicated encounter database. Each adjudicated encounter is assigned an adjudication status code (which may change over time with encounter processing).

Adjudication Status Codes:

- 11 = Pended,
- 31 = Adjudicated/Approved,
- 32 = Adjudicated/Void Original,
- 33 = Adjudicated/Replaced Original,
- 41 = Adjudicated/Denied by AHCCCS, and
- 43 = Adjudicated/Denied by Plan.

If an encounter fails one or more edits or audits, an error condition occurs, and AHCCCS either denies or pends the encounter. Denied encounters are returned in the 277U and 277S Supplemental Files. For error correction, pended encounters are also placed in the Contractors' Pend File. For further explanation on Pended Encounter correction, please see Chapter 4 of this manual.

AHCCCS denied encounters (status 41) like pended encounters, must be corrected, recouped, or voided in the Contractors' claim processing systems as appropriate and may be subject to Contractor performance standards. Readjudicated/corrected denied encounters may be submitted to AHCCCS as either New Encounter Submissions or Replacement Encounters.

Resubmitting as Replacement Encounters maintains the original encounter submission date for timely encounter submission evaluation.

NOTE: Replacement Encounters cannot replace voided encounters. The replacement will void the encounter and then replace the encounter within PMMIS.

Resubmitting as New Encounter Submissions will generate a new encounter received date and, in some cases, could be included in untimely encounter submission calculations.

Only finalized adjudicated/approved (status 31) and adjudicated/denied by Contractor/Plan (status 43) encounters are used by AHCCCS to evaluate health outcomes, performance measures, rate development/setting, etc. Thus, Contractors should ensure that encounters are submitted according to AHCCCS requirements to avoid underreporting of data that may negatively affect Contractors.

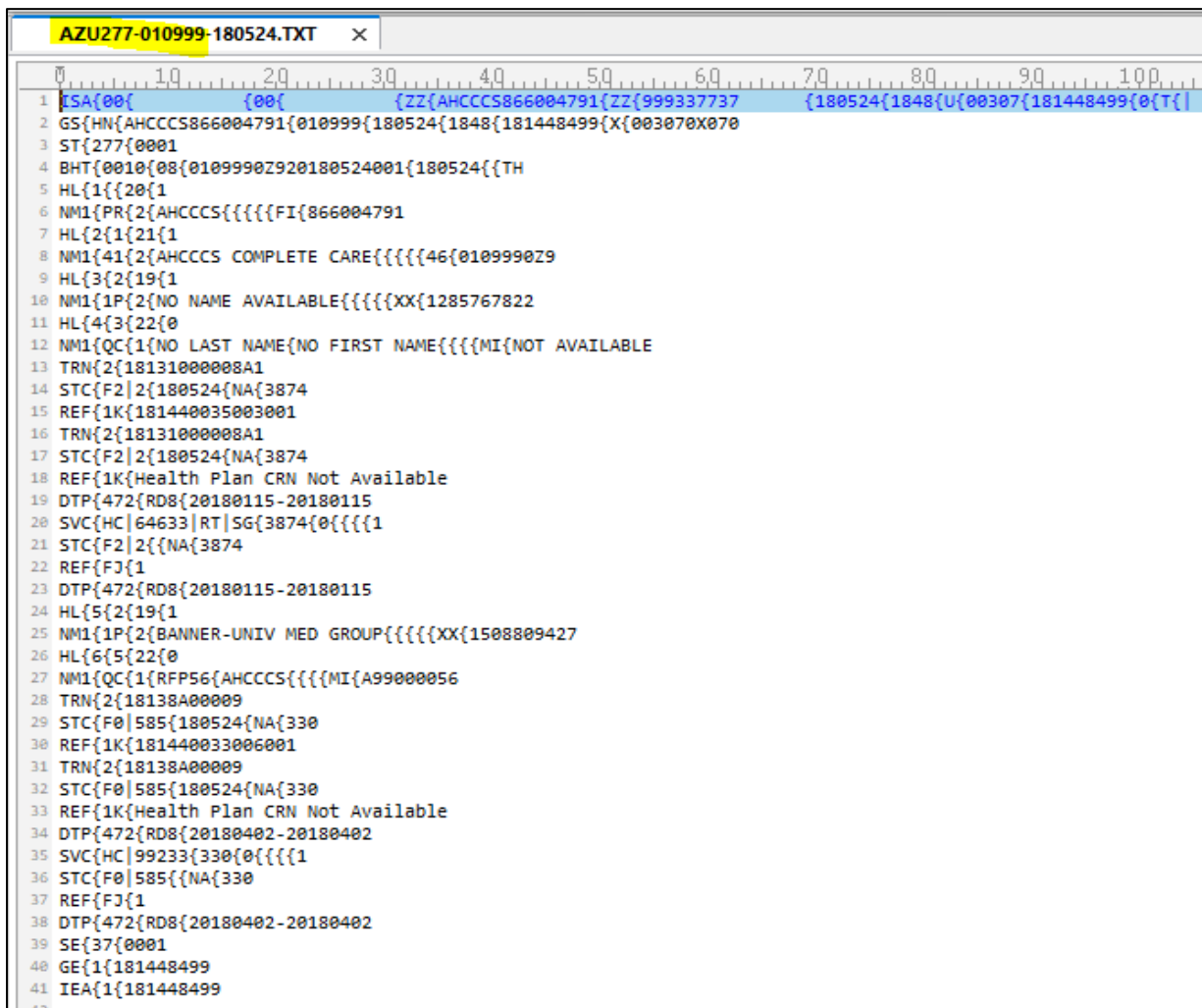XII. **ADJUDICATION FILES AND REPORTS PRODUCED BY AHCCCS**

After encounter adjudication edit and audit processing, AHCCCS generates the following status and Pend Files for Contractors:

Status File (277U) – Unsolicited:

The status file provides the encounter status (finalized or pended) for all encounters from the most recent encounter processing. The file layout is available from Washington Publishing Company at www.wpc-edi.com (subscription required) and the AHCCCS Companion Document is available on the AHCCCS website at www.azahcccs.gov/Resources/EDI/EDITechnicaldocuments.html.

277U File Layout Reference:

www.azahcccs.gov/Resources/Downloads/EDIChanges/AZ_277U_Companion_Docv20160902.pdf.

```
AZU277-010999-180524.TXT    ×

     0.........10.........20.........30.........40.........50.........60.........70.........80.........90.........100....
1  ISA{00{          {00{          {ZZ{AHCCCS866004791{ZZ{999337737      {180524{1848{U{00307{181448499{0{T{|
2  GS{HN{AHCCCS866004791{010999{180524{1848{181448499{X{003070X070
3  ST{277{0001
4  BHT{0010{08{0109990Z920180524001{180524{{TH
5  HL{1{{20{1
6  NM1{PR{2{AHCCCS{{{{{FI{866004791
7  HL{2{1{21{1
8  NM1{41{2{AHCCCS COMPLETE CARE{{{{{46{0109990Z9
9  HL{3{2{19{1
10 NM1{1P{2{NO NAME AVAILABLE{{{{{XX{1285767822
11 HL{4{3{22{0
12 NM1{QC{1{NO LAST NAME{NO FIRST NAME{{{{MI{NOT AVAILABLE
13 TRN{2{18131000008A1
14 STC{F2|2{180524{NA{3874
15 REF{1K{181440035003001
16 TRN{2{18131000008A1
17 STC{F2|2{180524{NA{3874
18 REF{1K{Health Plan CRN Not Available
19 DTP{472{RD8{20180115-20180115
20 SVC{HC|64633|RT|SG{3874{0{{{{1
21 STC{F2|2{{NA{3874
22 REF{FJ{1
23 DTP{472{RD8{20180115-20180115
24 HL{5{2{19{1
25 NM1{1P{2{BANNER-UNIV MED GROUP{{{{{XX{1508809427
26 HL{6{5{22{0
27 NM1{QC{1{RFP56{AHCCCS{{{{MI{A99000056
28 TRN{2{18138A00009
29 STC{F0|585{180524{NA{330
30 REF{1K{181440033006001
31 TRN{2{18138A00009
32 STC{F0|585{180524{NA{330
33 REF{1K{Health Plan CRN Not Available
34 DTP{472{RD8{20180402-20180402
35 SVC{HC|99233{330{0{{{{1
36 STC{F0|585{{NA{330
37 REF{FJ{1
38 DTP{472{RD8{20180402-20180402
39 SE{37{0001
40 GE{1{181448499
41 IEA{1{181448499
42
```

Supplemental Status (277S):

This file contains additional status information not found in the 277U Status File. For example, mainframe denial reasons for encounters and reinsurance information are found in the 277S file.

- **277U and** Supplemental **Status SFTP path:** ftp/XXX/prod/edi-out/file name.
- XXX = Contractor's 3-digit name abbreviation. **File** name **convention for these status files:** AZa277-PLANID-YYMMDD.TXT:
  - AZ = Arizona; 'a' represents an Unsolicited or "S" (Supplemental) file.
  - PLANID = Contractors' 6-digit AHCCCS assigned numeric Plan ID.
  - YYMMDD = the cycle date.

Additional files, as noted below, are placed on the SFTP server in the Contractors' **prod/out** folder **sftp/AZ/XXX(3-character mnemonic)/prod/out/file name** (XXX = the Contractors' 3-digit name abbreviation).

277S File Layout is located at

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/277SFileLayoutTable.pdf.

```
AZS277-010999-180524.TXT    ×

   0........10........20........30........40........50........60........70........80........90........100........110..
 1  010999092920180524SU
 2  181440035003001              DNA         M47812                              200.70         200.70H280
 3  181440033006001              DEA         I426   01                              .00            .00
 4  181440033006002              DEA         I426   01                              .00            .00
 5  181440033006003              DEA         I426   01                              .00            .00
 6  181440035004001              DNA         Z00129 01                            77.93          77.93P332
 7  181440035004002              DNA         Z00129 01                            18.58          18.58P332
 8  181440033004001              DEA         R5381  01                              .00            .00
 9  181440033004002              DEA         Z87828 01                              .00            .00
10  181440017006                 DEO         N186   16                              .00            .00
11  181440017007                 DEO         N186   16                              .00            .00
12  181440035009001              APA         Q673   15                           4000.00        4000.00
13  181440035010001              APA         Q673   15                           4000.00        4000.00
14  181440035008001              DNA         F840   47                            54.72          54.72P332
15  181440035006001              DNA         F809   07                            17.82          17.82P332
16  181440035006002              DNA         F809   07                            75.61          75.61P332
17  181440035002001              APA         D122   12                            60.26          60.26
18  181440035002002              APA         D123   12                            60.26          60.26
19  181440035002003              PEA         D124   12                            60.26          60.26
20       0Z9      18144SU00000018
21
```

Pend Files (PEND):

File name = HPPLANID_CLMMDDYY.ZIP.

This file contains pended encounters that passed validation and translation, but failed the adjudication edit or audit process. These encounters will continue to pend and appear on the Pend File until the Contractor corrects the encounters.

The File Layout is located at

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/PendFileLayoutTable.pdf.

```
 CL052418    ×
         0        10        20        30        40        50        60        70        80        90       100
 1 |          0Z918144                                                                              T0
 2 18144003500200300000002A20180524010999A990000019107358573318138A00018                           C1
 3 1814400350020003Z300                                                                             C4
 4 181440035002003000000201 0A99000019                            N92AHCCCS ID                      C5
 5 181440035002003000002063 88305                   _____        N92PROCEDURE CODE                  C5
 6 181440035002003000002064 76                      __           N92PROC MODIFIER 1                 C5
 7 181440035002003000002159 20180305               _____      N92SVC BEGIN DATE                  C5
 8 181440035002003000002160 20180305               _____      N92SVC END DATE                    C5
 9 181440035002003000002163 00000001.000           _____.___  N92SERVICE UNITS                   C5
10 181440035002003000002207                        __           N92PROC MODIFIER 2                 C5
11 181440035002003000002257 197311                 _____        N92SERV PROV ID                    C5
12 181440035002003000002258 02                      __           N92SERV PROV LOC                   C5
13 181440035002003000002260                        __           N92PROC MODIFIER 3                 C5
14 181440035002003000002261                        __           N92PROC MODIFIER 4                 C5
15 1814400350020004Z300                                                                             C4
16 181440035002004000000201 0A99000019                            N92AHCCCS ID                      C5
17 181440035002004000002063 88305                   _____        N92PROCEDURE CODE                  C5
18 181440035002004000002064 76                      __           N92PROC MODIFIER 1                 C5
19 181440035002004000002159 20180305               _____      N92SVC BEGIN DATE                  C5
20 181440035002004000002160 20180305               _____      N92SVC END DATE                    C5
21 181440035002004000002163 00000001.000           _____.___  N92SERVICE UNITS                   C5
22 181440035002004000002207                        __           N92PROC MODIFIER 2                 C5
23 181440035002004000002257 197311                 _____        N92SERV PROV ID                    C5
24 181440035002004000002258 02                      __           N92SERV PROV LOC                   C5
25 181440035002004000002260                        __           N92PROC MODIFIER 3                 C5
26 181440035002004000002261                        __           N92PROC MODIFIER 4                 C5
27 18144003501100000011A20180524010999A99000037182130908918138A00020                               C1
28 1814400350110 00H050                                                                             C2
29 181440035011000000011155                        _____    N92REFER PROV NPI                  C3
30      0Z9    18144   00000300000000000000000                                                     T9
31 |
```

Pended Encounter Detail Aging File (Record Layout-DETLAGIN):

File name = HPPLANID_DETLAGINMMDDYY.ZIP.

This file contains the number of days encounters have been pended and additional information regarding those pended encounters.

The File Layout is located at

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/PendedEncounterDetailedAgingFileLayoutTable.pdf.

```
 DETLAGIN   ×
        0       10       20       30       40       50       60       70       80       90      100      110      120      130      140      150
 1 010999Z91A18144003500200318138A00018           1073585733ARIZONA PATHOLOGY GROUP   04201803052018030520180524883057600000000602F  0Z300
 2 010999Z91A18144003500200418138A00018           1073585733ARIZONA PATHOLOGY GROUP   04201803052018030520180524883057600000000602F  0Z300
 3 010999Z91A18144003501100118138A00020           1821309089CHIRICAHUA COMM HC-VISTA C220180401201804012018052 4T1015  0000003056A    0H050
 4 010999Z91A18144003501100218138A00020           1821309089CHIRICAHUA COMM HC-VISTA C22018040120180401201805249202  0000000000{    0H050
 5 |
```

Pended Encounter Duplicate CRN File (Record Layout -DUPECRN):

File name = HPPLANID_DUPECRNMMDDYY.ZIP.

This file contains information regarding duplicate pended encounters and the encounters already in history that are causing the duplicate audit failure.

The File Layout is located at

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/PendingCRNFileLayoutTable.pdf.

Comment File (CC):

File name = HPPLANID_CCMMDDYY.ZIP.

This file contains comments regarding select pended encounters. The comments are intended to aid in the correction of these pended encounters.

The File Layout is located at

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/CommentFileLayoutTable.pdf.

Detail Show Action Taken (Record Layout-ACTNTKN):

File name = HPPLANID.PNMMDDYY.TSN.ZIP.YYMMDD.ACTNTKN.ZIP.

This file contains information regarding action taken on pended encounters during the last cycle.

The File Layout is located at

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/DetailShowActionFileLayoutTable.pdf.

Adjudicated Encounters Report Overall (Report ID-EC9AM128):

File name = HPPLANID_RC_EC9AM128MMDDYY.ZIP.

This report provides an encounter count of finalized and pended status by form type and an overall percent of finalized encounters by status.

EC CCL Summary by Error Code (Report ID-EC9AD949):

File name = HPPLANID_RC_EC9AD949MMDDYY.ZIP.

The cycle (CCL) Summary indicates the number of errors by transmission submitter number, by form type and by error code.

Edit Failures by Health Plan (Report ID-EC91D949):

File name = HPPLANID_RC_EC91D949MMDDYY.ZIP.

This report provides a count of pended encounters by transmission submitter number, error code, and form type.

Duplicate CRN by Error Code (Report ID-EC97R179):

File Name = HPPLANID_RC_EC97R179MMDDYY.ZIP.

This report contains information regarding duplicate pended encounters and the encounters that are causing duplicate pended encounters. The File Layout is located at

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/DupeCRNbyErrorFileLayoutTable.pdf.

Pended Encounters Detailed Aging (Report ID-EC9EM187):

File name = HPPLANID_RC_EC9EM187MMDDYY.ZIP.

The detailed aging report is a list of pended encounters by transmission submitter number, aging category, form type, and error code. The File Layout is located at

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/PendedEncounterDetailedAgingFileLayoutTable.pdf.

```
 EC9EM187   ×

   0.........10........20........30........40........50........60........70........80........90.......100.......110.......120.......130....
 1 1REPORT ID: EC9EM187-010999                ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM                              PAGE:       1
 2  PROGRAM #: EC97L187                            PENDED ENCOUNTERS DETAILED AGING REPORT                             RUN:05/24/18
 3                                 (SORTED BY HEALTH PLAN, TAPE SUPPLIER NUMBER, AGING CATEGORY, FORM TYPE AND CRN)        18:43
 4 0   HEALTH PLAN: 010999
 5   TAPE SUPPLIER: Z9
 6  AGING CATEGORY: 1 - 30 DAYS
 7 0FM                                                        ========= SERVICE PROVIDER =======       PROCESS  PROC  PEND
 8  TP    CRN     PATIENT ACCOUNT NUM  HEALTH PLAN CRN     ID      NAME                TP BEG DOS  END DOS   DATE   -NDC  DAYS
 9  -  --------------- -------------------- --------------- ---------- ---------------------- -------- -------- -------- ----------
10  A 181440035002003 18138A00018                          1073585733 ARIZONA PATHOLOGY GRO04 03/05/18 03/05/18 05/24/18 88305-76
11 0  TOT:$           ERRORS:  Z300                                                                                                0
12 0A 181440035002004 18138A00018                          1073585733 ARIZONA PATHOLOGY GRO04 03/05/18 03/05/18 05/24/18 88305-76
13 0  TOT:$           ERRORS:  Z300                                                                                                0
14 0A 181440035011001 18138A00020                          1821309089 CHIRICAHUA COMM HC-VIC2 04/01/18 04/01/18 05/24/18 T1015
15 0  TOT:$         3 ERRORS:  H050                                                                                                0
16 0A 181440035011002 18138A00020                          1821309089 CHIRICAHUA COMM HC-VIC2 04/01/18 04/01/18 05/24/18 99202
17 0  TOT:$           ERRORS:  H050                                                                                                0
18 0TOTALS:          4 ENCOUNTERS FOR HEALTH PLAN 010999, TAPE SUPPLIER Z9, PENDED 1 - 30 DAYS
19                   4 ERRORS
20 0TOTALS:          4 ENCOUNTERS FOR HEALTH PLAN 010999, TAPE SUPPLIER Z9
21     :             $426.13 TOTAL DOLLARS FOR HEALTH PLAN 010999, TAPE SUPPLIER Z9
22                   4 ERRORS
23 1REPORT ID: EC9EM187-010999                ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM                              PAGE:       2
24  PROGRAM #: EC97L187                            PENDED ENCOUNTERS DETAILED AGING REPORT                             RUN:05/24/18
25                                 (SORTED BY HEALTH PLAN, TAPE SUPPLIER NUMBER, AGING CATEGORY, FORM TYPE AND CRN)        18:43
26 0   HEALTH PLAN: 010999
27   TAPE SUPPLIER: Z9
28  AGING CATEGORY:
29 0 ERROR
30   CODE   ========================= ERROR MESSAGE ===========================
31   H050   PARTICIPATING PROVIDER NPI NOT PROVIDED OR INVALID
32   Z300   EXACT DUPLICATE
33 1REPORT ID: EC9EM187-010999                ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM                              PAGE:       3
34  PROGRAM #: EC97L187                            PENDED ENCOUNTERS DETAILED AGING REPORT                             RUN:05/24/18
35                                 (SORTED BY HEALTH PLAN, TAPE SUPPLIER NUMBER, AGING CATEGORY, FORM TYPE AND CRN)        18:43
36 0   HEALTH PLAN: 010999
37   TAPE SUPPLIER:
38  AGING CATEGORY:
39 0FM                                                        ========= SERVICE PROVIDER =======       PROCESS  PROC  PEND
40  TP    CRN     PATIENT ACCOUNT NUM  HEALTH PLAN CRN     ID      NAME                TP BEG DOS  END DOS   DATE   -NDC  DAYS
41  -  --------------- -------------------- --------------- ---------- ---------------------- -------- -------- -------- ----------
42 -TOTALS:          4 ENCOUNTERS FOR HEALTH PLAN 010999
43     :             $426.13 TOTAL DOLLARS FOR HEALTH PLAN 010999
44                   4 ERRORS
45 ▯
```

Pended Encounters Summarized Error (Report ID-EC9FM187):

File name = HPPLANID_RC_EC9FM187MMDDYY.ZIP.

The summary of pended encounters illustrates the pended encounter error count in descending order.


```
  EC9FM187    ×

   0........10.....20.....30.....40.....50.....60.....70.....80.....90.....100.....110.....120.....130..
 1 1REPORT ID: EC9FM187-010999           ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM                      PAGE:      1
 2  PROGRAM #: EC97L187                     PENDED ENCOUNTERS SUMMARIZED ERROR REPORT                      RUN: 06/10/18
 3                              (SORTED BY HEALTH PLAN AND ERROR COUNT IN DESCENDING ORDER)                    08:04
 4      HEALTH PLAN: 010999
 5  -
 6  ERROR                                                                  FORM
 7  CODE    ERROR MESSAGE                                                  TYPE  ERROR COUNT
 8  -----   --------------------------------------------------------       ----  -----------
 9  Z305    NEAR DUPLICATE FOUND                                           A         2010
10 0Z300    EXACT DUPLICATE                                                A         1966
11 0A905    UNREASONABLE AHCCCS ALLOWED AMT IN RELATION TO BILLED AMT      C         1742
12 0Z300    EXACT DUPLICATE                                                O          576
13 0H050    PARTICIPATING PROVIDER NPI NOT PROVIDED OR INVALID             A          369
14 0H199    INGREDIENT COST + DISPENSE FEE + SALES TAX < HP PAID AMT       C          170
15 0Z305    NEAR DUPLICATE FOUND                                           O          144
16 0Z800    EXACT DUPLICATE FOUND                                          C          104
17 0H209    VACCINE ADMINISTRATION FEE EXCEEDS CONTRACTED AMOUNT           C           99
18 0A905    UNREASONABLE AHCCCS ALLOWED AMT IN RELATION TO BILLED AMT      A           76
19 0Z305    NEAR DUPLICATE FOUND                                           I           47
20 0Z340    RELATED PROVIDER DUPLICATE                                     A           29
21 0D045    RECIPIENT SEX INVALID FOR PRIMARY DIAGNOSIS                    A           26
22 0N027    DRUG NOT ELIGIBLE FOR MEDICAID COVERAGE                        C           21
23 0P353    PROVIDER TYPE NOT ELIGIBLE FOR SERVICE BILLED                  A           17
24 0R105    BIRTH WEIGHT IS OUT OF RANGE                                   I           15
25 0A905    UNREASONABLE AHCCCS ALLOWED AMT IN RELATION TO BILLED AMT      L           15
26 0S385    SERVICE UNITS EXCEED MAXIMUM ALLOWED                           A           13
27 0Z300    EXACT DUPLICATE                                                I           13
28 0R410    RECIPIENT NOT ELIGIBLE FOR AHCCCS SERVICES ON SERVICE DATES    A           12
29 0R100    BIRTH WEIGHT IS REQUIRED                                       I           12
30 0R480    RECIPIENT NOT ENROLLED ON SERVICE DATES                        A           11
31 0S445    PROCEDURE MODIFIER INVALID FOR PROCEDURE ON DATE OF SERVICE    A           11
32 -TOTAL                                                                             7498
33 ▯
```

Detail and Summary Show Action Taken (Report ID-EC91R901):

File name = HPPLANID.PHMMDDYY.TSN.ZIP.YYMMDD.RPTS.ZIP.

This report contains information regarding action taken on pended encounters. The File Layout is located at

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/DetandSumShowFileLayoutTable.pdf.

IMPORTANT NOTE: Contractors have 90 days from the date the files are placed on the server to retrieve files and reports before AHCCCS removes them from the SFTP Server site as a component of the automated processing.

XIII.   **ENCOUNTER MONTHLY RECONCILIATION DATA FILE AKA "MAGIC" FILE**

Monthly, AHCCCS provides each Contractor with an encounter data extract that Contractors must use to compare financial data in the AHCCCS Encounter Database with the Contractors' claims financial data. The file is replaced each month and contains the past 36 months of encounter financial data submitted to AHCCCS. If a Contractor misses processing for a month, the following month will include the previous months minus the oldest month and the new encounters reaching adjudicated status by AHCCCS in the current month. The file is to be used by the Contractor to verify what has been submitted to AHCCCS.

Encounter Monthly Extract File Layout (Magic File):

www.azahcccs.gov/Resources/Downloads/Contractor/Tables/EncounterMonthlyFileLayoutTable.pdf

The file is available on the SFTP server after the completion of the second encounter cycle of the month.

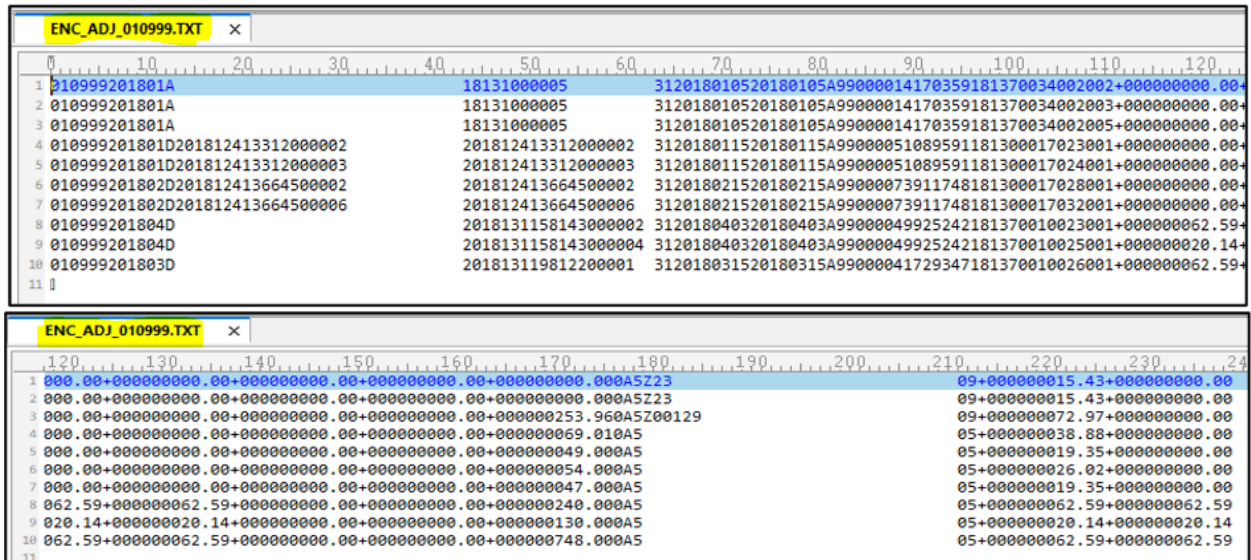**Location**: sftp.statemedicaid.us\xxx\prod\out\ENC_nnnnnn.zip

xxx = 3 Character Plan Mnemonic assigned to each Contractor

nnnnnn = Health Plan ID

The zipped file contains the following five type codes for encounter file extracts named ENC_type code_nnnnnn.TXT:

- ADJ – Adjudicated/Approved – Status 31
- DENIED – Adjudicated/Plan Denied – Status 43
- ACCDNY – Adjudicated/AHCCCS Denied – Status 41
- PEND – Pended – Status 11
- VOID – Adjudicated/Voided – Status 32

ADJ Example:

DENIED Example:

```
ENC_DENIED_010999.TXT    ×

     0       10       20       30       40       50       60       70       80       90      100      110      120
1  010999201802A                       18138E0000005          432018020320180203A990000604591381814400330010010001+000000000.00
2  010999201802A                       18138E0000005          432018020320180203A990000604591381814400330010002+000000000.00
3  010999201802A                       18138E0000005          432018020320180203A990000604591381814400330010003+000000000.00
4  010999201802D201812413444100010     201812413444100010     432018022020180220A990000420681711813000180160001+000000000.00
5  010999201802D201812413444100011     201812413444100011     432018022020180220A990000420681711813000180170001+000000000.00
6  010999201802D201812413444100012     201812413444100012     432018022020180220A990000420681711813000180180001+000000000.00
7  010999201804D201813115814300005     201813115814300005     432018040320180403A990000499252421813700090010001+000000000.00
8
```

```
ENC_DENIED_010999.TXT    ×

    120      130      140      150      160      170      180      190      200      210      220      230      24
1  )00.00+000000000.00+000000000.00+000000000.00+000000153.000A5Z00129                  09+000000072.97+000000000.00
2  )00.00+000000000.00+000000000.00+000000000.00+000000092.000A5Z00129                  09+000000061.72+000000000.00
3  )00.00+000000000.00+000000000.00+000000000.00+000000028.000A5Z00129                  09+000000015.43+000000000.00
4  )00.00+000000000.00+000000000.00+000000000.00+000000062.590A5                        05+000000062.59+000000000.00
5  )00.00+000000000.00+000000000.00+000000000.00+000000062.590A5                        05+000000062.59+000000000.00
6  )00.00+000000000.00+000000000.00+000000000.00+000000062.590A5                        05+000000062.59+000000000.00
7  )00.00+000000000.00+000000000.00+000000000.00+000000050.000A5                        05+000000030.88+000000000.00
8
```

ACCDNY Example:

```
ENC_ACCDNY_010999.TXT    ×

     0       10       20       30       40       50       60       70       80       90      100      110      120
1  010999201803A                       18134E0000000          412018031520180315A990000562968441813700340010001+000000070.70+
2  010999201803A                       18134E0000000          412018031520180315A990000562968441813700340010002+000000000.00+
3  010999201803A                       18134E0000000          412018031520180315A990000562968441813700340010003+000000000.00+
4  010999201803A                       18134E0000000          412018031520180315A990000562968441813700340010004+000000000.00+
5  010999201802A                       18131A00015            412018021520180215A990000044383477181370034003001+000000070.70+
6  010999201802A                       18131A00015            412018021520180215A990000044383477181370034003002+000000049.28+
7  010999201802A                       18131A00015            412018021520180215A990000044383477181370034003003+000000045.76+
8  010999201802A                       18131A00015            412018021520180215A990000044383477181370034003004+000000042.34+
```

```
ENC_ACCDNY_010999.TXT    ×

    120      130      140      150      160      170      180      190      200      210      220      230      24
1  070.70+000000070.70+000000000.00+000000000.00+000000325.000A5S12300D                 09+000000070.70+000000070.70
2  000.00+000000000.00+000000000.00+000000000.00+000000150.000A5S12300D                 09+000000029.32+000000000.00
3  000.00+000000000.00+000000000.00+000000000.00+000000095.000A5S12300D                 09+000000031.69+000000000.00
4  000.00+000000000.00+000000000.00+000000000.00+000000045.000A5S12300D                 09+000000015.48+000000000.00
5  070.70+000000070.70+000000000.00+000000000.00+000000160.000A5S62610D                 09+000000070.70+000000070.70
6  049.28+000000049.28+000000000.00+000000000.00+000000142.000A5S62610D                 09+000000034.12+000000049.28
7  045.76+000000045.76+000000000.00+000000000.00+000000118.000A5S62610D                 09+000000031.69+000000045.76
8  042.34+000000042.34+000000000.00+000000000.00+000000116.000A5S62610D                 09+000000029.32+000000042.34
9
```

PEND Example:

VOID Example:

XIV. MODIFICATIONS TO ENCOUNTERS

When the Contractor adjusts, replaces, voids, or reprocesses claims, the Contractor must revise the corresponding encounter records that were adjudicated and placed into history by AHCCCS. Please refer to the X12N technical reports or NCPDP implementation guide for procedures to void and/or replace previously approved pharmacy encounters in history.

AHCCCS accepts replacements and voids for all form types at the claim header level. Voiding or replacing professional, dental, or pharmacy encounters at the claim header results in a void or replacement of all claim line information regardless of each claim line's adjudication or pend status. Only the first 12 digits of the CRN should be submitted when replacing or voiding. Void or replacement at the claim header must reflect the Contractor's final disposition or all claim lines for the claim.

XV.   **ADJUDICATION SYSTEM ERROR CORRECTION**

The correction of encounters denied or pended by AHCCCS allows Contractors to modify or correct encounter data and, for a limited set of edits, override edits such as a potential duplicate of another encounter or unit limitation guidelines. The 277 and Pend Files provided by AHCCCS identify the error conditions that caused the record to fail, assisting Contractors with identifying and resolving the problem. AHCCCS allows a grace period (refer to SANCTIONS in Section XIX) to correct aging pended or denied encounters. No penalty/sanction is applied to Contractor encounter corrections readjudicated as accepted within the grace period. Sanctions may be applied to denied or pended encounters that remain uncorrected or voided after the grace period.

XVI.   **COMPLETE, ACCURATE, AND TIMELY ENCOUNTER DATA**

Contractors are required to monitor, track, and trend encounter submissions and corrections. If Contractors or their subcontracted encounter vendor is unable to resolve submission issues, correct errors or achieve acceptable encounter completion, accuracy, and timeliness rates, AHCCCS may require Corrective Action Plans and/or apply sanctions.

Completeness Measure:

Requires that encounters be submitted for all Contractor primary and secondary paid claims, as well as selected plan denials and Zero Medicaid Payment claims. These encounters must reach adjudicated/approved encounter status to eliminate omissions of AHCCCS eligible service utilization data required by contract.

Accuracy Measure:

Requires that the encounter data submitted correctly reflect the approved coding of the services reported. The encounter data must reflect the data coding submitted by the provider and enter as finalized in the Contractor's claims system. All required encounter elements must match provider claim submission and finalized claim adjudication in the Contractor's claims system.

Timeliness Measure:

Requires that all encounters reach approved adjudication status in the AHCCCS database within specified time periods. As per the contract, Professional, Institutional, and Dental Encounters (not eligible for Federal Drug Rebate processing) must be received by AHCCCS no later than 210 days after the end of the month in which the service was rendered, or the effective date of the enrollment with the Contractor, whichever date is later. Failure to submit encounters within 210 days may result in sanctions.

Pharmacy-related encounter data and other encounters involving services eligible for Federal Drug Rebate processing must be provided to AHCCCS no later than 30 days after the end of the quarter in which the pharmacy item was dispensed. Adherence to each of these measures is partially monitored through Encounter Data Validation Studies routinely conducted by AHCCCS. The purpose of these studies is to compare submitted encounter data with other sources (e.g., medical records, provider claims submissions, Contractor claims system to the Contractor submitted encounter data). Further details on annual and focused Data Validation Studies can be obtained on the AHCCCS website at www.azahcccs.gov/PlansProviders/Downloads/Encounters/EncounterValidationTechnicalDocument.pdf. Adherence may also be evaluated during Annual Contractor Operational Reviews or through focused encounter reviews.

XVII.   ENCOUNTER SUBMISSION BENCHMARKS - STANDARD MEASURE DATA POINTS

AHCCCS also monitors the overall volume of encounter submission and adjudication status by form type based upon a Contractor's enrollment. Based on a specified methodology, these encounter benchmarks will be based on rolling five (5) years of most recent data, and the data points will be reviewed annually for each contract year going forward and remeasured as the benchmarks are achieved and sustained by the Contractor. The goal of the benchmarks is to drive improvement. Benchmarks will be set for the following areas:

- Total approved encounters per member per month:
  - Approved percentage of total encounters.
- Total pended encounters per member per month:
  - Pended percentage of total encounters.
- Total voided encounters per member per month:
  - Voided percentage of total encounters.
- Total denied encounters per member per month:
  - Denied percentage of total encounters.

Benchmarks have been developed for the AHCCCS Complete Care (ACC) and Long Term Care Contractors. Individual benchmarks were also created for each form type, A, C, D, I, O, and L; however, at this time, these benchmarks will be utilized by staff for internal monitoring only.

The essential rule for standard compliance is one standard deviation from the five (5) contract year means. This rule identifies some outliers of encounter percentages and member month. Half of a standard deviation may be applied according to the plan performance and AHCCCS requirements.

XVIII.   TRACKING ENCOUNTERS DENIED BY AHCCCS AND CONTRACTOR VOIDED ENCOUNTERS

Contractors are required to monitor encounters denied by AHCCCS and encounters voided by the Contractor. It is the Contractor's responsibility to either replace AHCCCS denied encounters, void the claims, recoup Medicaid funds, and correct or void pended encounters.

When AHCCCS denied and Contractor voided encounters due to data submission errors, the Contractor must replace or resubmit the encounters with revised data. The encounter must reflect the Contractor's final disposition of all claim lines for replacements. Data submission errors that are not replaced or resubmitted may affect the Contractor's encounter completeness rates.

AHCCCS denied encounters and Contractor voided encounters are not used by AHCCCS for Contractor capitation, rate setting development, evaluation of health outcomes, or Contractor performance. Contractors should ensure that encounters are submitted according to AHCCCS requirements to avoid underreporting of data that may have a negative effect on Contractors. Replaced encounters are linked to previous encounter submissions for purposes of encounter timeliness. Encounters resubmitted instead of replaced are treated as original submissions unrelated to prior encounter submissions. As a result, untimely encounter resubmissions may affect the Contractor's timeliness sanctions, supplemental payments, capitation and rate setting development, evaluation of health outcomes, or Contractor performance.

XIX.   SANCTIONS

Aged Pended Encounters:

AHCCCS Contractors are required by contract to monitor and resolve pended and AHCCCS denied encounters. Pended encounters are required to be corrected or appropriately voided within 120 days from the AHCCCS encounter received date, recorded as part of the AHCCCS assigned CRN. AHCCCS conducts quarterly monitoring of pended encounter aging. The data pull for the quarterly pended encounter aging file is a snapshot of encounters in pended status as of the last day of that quarter. Any pends corrected online or by pend correction files processed up to that date would be excluded from the data pull. The result of this aging monitoring generates Contractor pended encounter letters that may result in monetary sanctions for those pended encounters aged over 120 days.

Monitoring information extracted for each Contractor for the three (3) month period at the end of the quarter is downloaded into a Statistical Package for the Social Sciences (SPSS) Program for review. The data set is filtered to eliminate "soft" (used internally for statistical information gathering purposes) error codes; other "hard" (pend or deny back to the Contractor for correction) error codes specifically waived from sanction by AHCCCS, and edits or audits identified by AHCCCS as related to internal only edits. The reports are produced, reviewed internally, and distributed as preliminary to each Contractor for review and response.

The preliminary sanction report is distributed via the SFTP server. Contractors have 30 days to review the findings and respond to AHCCCS. AHCCCS will review and consider the response provided by the Contractor, and then a final sanction letter will be issued.

Sanction amounts are calculated based on the following amounts per pended encounter:

- Over 120 days less than 180 days = $5.00
- Over 180 days less than 240 days = $10.00
- Over 240 days less than 360 days = $15.00
- Over 360 days = $20.00

Pended Encounter Sanction Grievances:

Contractors have the right to file a grievance regarding encounter sanctions. Grievances must be filed in a timely manner. The details on filing this type of grievance are included in the Contractor notification letter.

Encounter Timelines Sanctions:

All Encounters not involving services eligible for Federal Drug Rebate processing shall be received by AHCCCS no later than 210 days for DOS after 10/1/2018; after the end of the month in which the service was rendered, or the effective date of the enrollment with the Contractor, whichever date is later. Unique to the R805 & R806 edits, the logic will be applied upon initial submission of Encounters, and once failed and logged, the edit will not persist when the Encounter is next edited or recycled. If an Encounter is initially submitted (new day or denied) and is timely, any subsequent replacements/resubmissions if submitted as such will also be considered timely.

After each encounter cycle, the following text files will be posted to each Contractor's SFTP Server folder. AHCCCS will send a notification to the Health Plans when the files are available.

- XXX/OTHER/DHCM/OUT - Placement
- ENC_SANCTIONS_XXXXXX_RPT_YYMMDD.TXT

The timeliness sanctions are $2.00 per encounter, and quarterly, sanctions will be levied one-time at the end of the quarter, and include the total encounters exempted and not exempted for that quarter. For example, January, February, and March findings distributed with one total for sanctionable encounters for the quarter.

XX.   ASSISTANCE

Encounter's customer service staff are available Monday through Friday (excluding State holidays) to assist Contractors. In addition, the Encounter Unit conducts ongoing meetings with each Contractor, both on a scheduled and as-needed basis. Contractors should contact their assigned Encounter Technical Liaison to request assistance or training.

Contractors may request encounter assistance or training via the AHCCCSEncounters@azahcccs.gov e-mail address. Questions regarding TI Portal security issues, validation and/or translation should be submitted to AHCCCSTIEncounters@azahcccs.gov. AHCCCS will acknowledge all requests within three (3) days and respond to the request within 30 days unless otherwise notified.