

TO: ALL AZ HEALTH PLANS
DATE: 9/19/12
RE: AZ 837 Professional Encounter
Scenario: Medicare (or other payer) paid more than the HP Allowed amount

Please note that it is not necessary to report the difference between the Line charge (SV102) and the HP Allowed amount (CN102) in a CAS segment. The CN1 segment is used for reporting purposes and is not used for Claim or line balancing. The Line charge, Payer paid amount and applicable adjustments are factors for balancing.

In the scenario where Medicare (or other payer) paid more than the HP Allowed amount, it would be appropriate for the plan to only report the difference between the Line charge and other payer payments with a group code 'CO' (Contractual Obligations) and an adjustment code of '45' (Charge exceeds) in order to balance the line since there are no further payments to be made. See example below.

Although this is a capitated encounter, the HP paid amount is \$0 and therefore, the CO*24 (Capitated agreement) to report the Final Net Allowed Amount would not apply. This scenario would be treated the same as a FFS and Denied encounter per the matrix. We will include this scenario in the next version of the HP Approved Amount matrix. AHCCCS also expects that plans report this type of scenario in a paid encounter file and not in a denied file.

Example:

CLM{111181162{126.5{{{11|B|1{Y{A{Y{Y{P <Claim charge \$126.50
SBR{P{18{MEDICARE PART B{MB
AMT{D{100.98 <Medicare Paid \$100.98

SBR{S{18{AZ HEALTH PLAN{MC
AMT{D{0 <HP Paid \$0

LX{1
SV1{HC|99214{126.5{UN{1{|1|2|3|4 <Line charge \$126.50
DTP{472{RD8{20120301-20120301
CN1{05{83.57 <CN102=HP Allowed amount
REF{6R{54567420

Medicare Line adjudication loop:

SVD{MEDICARE PART B{100.98{HC|99214{1 <Line Paid \$100.98
CAS{CO{45{25.52 <45-Charge exceeds (126.50 charge - 100.98 paid = 25.52)
DTP{573{D8{20110506

Health Plan Line adjudication loop:

SVD{AZ HEALTH PLAN{0{HC|99214{1 <Line paid \$0
CAS{CO{45{25.52 <45-Charge exceeds (126.50-100.98=25.52)
CAS{OA{22{100.98 <22-Covered by another payer
DTP{573{D8{20110506

(Note: The CO*24 to report the HP Final Net Allowed Amount does not apply due to \$0 payment. Additional lines followed but not shown.)

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