



Greater Tri-Cities IPA

PO Box 5059
Oceanside, CA 92052
(760) 941-7309

December 22, 2003

Dear Greater Tri Cities IPA Provider,

The Department of Managed Health Care recently promulgated regulations related to claim settlement and dispute resolution practices of health plans and their delegated IPA's and Medical Groups. This regulation is known as AB1455 and this state law became effective August 25, 2003 with an implementation date of January 1, 2004. This piece of legislation requires health plans and their capitated payors to establish a fast, fair and cost effective dispute resolution mechanism to process and resolve contracted as well as non contracted provider disputes. This applies to Commercial plans only. The following is a brief outline of the changes:

- Establishes standard appeal format and guideline. Provider Disputes must be in writing; in a standard format and must include the providers name, identification number, contact information, date of service and the rationale of the provider interpretation of payment methodology.
- Establishes minimum time frames for Providers to bill payment entity (IPA's/Medical Groups and Health Plans); ninety (90) days for contracted and one hundred and eighty days (180) days for non contracted providers. This supercedes any previous contracted arrangements currently in place with regard to commercial plans only.
- Providers are entitled to receive confirmation that claim has been received within fifteen (15) days of receipt by payment entity.
- Establishes a standard time frame for the processing of adjustments after the receipt of an appeal; forty five (45) calendar days.
- Prohibits the practice of taking offsets (negative adjustments and withholds) from providers unless explicitly stated in provider contracts.
- Establishes a standard for the overpayment requests from payment entities to service providers; three hundred and sixty five (365) days. Provider has a thirty (30) day window to dispute overpayment requests.

- Requires that a contracted IPA provide information on how to access your fee schedule in an electronic format.

Enclosed is the AB1455 Amendment to your Greater Tri Cities IPA (GTCIPA) Participating Provider Agreement. This is a silent amendment and is required by law, therefore no signature is required.

For further information on the AB1455 Regulation, please refer to the Department of Managed Health Care, their address is www.dmhc.ca.gov/library/regulations/existing and refer to the table for "Claims Settlement Practices / Dispute Resolution Mechanism" for a copy of the specific provisions.

Enclosed for your convenience is the new Provider Dispute Resolution form that is now required for submitting appeals to GTCIPA. You may submit this form to us by US Mail or by faxing it to the claims department at (760) 631-7614.

For specific information on claims payment and how to access your fee schedule please e-mail Client Services at clientservices@pdtrust.com or you may call (760) 941-7309 to obtain your login and password information. This information is located on our website at www.gtcipa.com and you can access the Medicare and RBRVS fee schedule at the Centers for Medicare and Medicaid Services website located at www.cms.gov; a link from the GTCIPA website is provided for you.

Should you have any questions or concerns regarding these changes you may contact me at (760) 941-7309 ext.138 or Janice Johnson, Claims Manager at (760) 941-7301 ext.133.

Sincerely,

Melissa Redden
Operations Manager

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