



FFS Paid Same Day as Encounter

The Department of Health Care Policy & Financing (HCPF) and Health Management Systems, Inc. (HMS) conduct post-payment reviews of claims submitted directly to Health First Colorado to verify if they were paid appropriately. This proposed audit reviews Inpatient, Outpatient and Professional claims where a Health First Colorado member enrolled in a Managed Care Organization (MCO) has a claim(s) in the Medicaid Management Information System (MMIS) processed as fee-for-service (FFS) payment(s) and a Managed Care Entities (MCE) encounter claim for the same service. Managed Care is a health care delivery system organized to manage cost, utilization, and quality. Medicaid managed care provides the delivery of Medicaid health benefits and additional services through contracted arrangements between state Medicaid agencies and MCE's that accept a set per member per month (capitation) payment for these services. When a member is enrolled in a Health First Colorado MCE, the MCE is responsible for the services that the member utilizes with the exception of wrap-around benefits that are only available through FFS.

As a result of this review, HCPF and HMS have identified claims billed that were potentially incorrectly submitted directly to Health First Colorado for payment as FFS. These claims are considered a potential overpayment and may be subject to recovery by HCPF.

A provider who disagrees with the identified potential overpayment(s) may submit documentation missing from the paid FFS claim, to demonstrate, for example, that the member's MCE benefits were exhausted at the time the service was rendered.

Please see the references below for Health First Colorado Program rules. Providers are required to follow all Health First Colorado rules including the Code of Colorado Regulations (CCR), American Medical Association (AMA) medical coding rules, Health First Colorado (Colorado Medicaid) Provider Billing Manuals, Health First Colorado Provider Bulletins, Centers for Medicare & Medicaid (CMS) rules, and any other state or federal rules pertaining to billing for Medicaid services.

References:

Health First Colorado Managed Care Programs Billing Information Manual:

"Providers must always verify eligibility information, including managed care participation, before providing services. Failure to verify eligibility information increases the risk of not receiving payment for rendered services. Fee-for-service claims for members who are enrolled in a Health First Colorado MCE will be denied."

Code of Colorado Regulations, 10 CCR 2505-10 8.076.9.:

"Overpayment means the amount paid to a Provider which is in excess of the amount



that is allowable for goods or services furnished under Section 1902 of the Social Security Act and which is required to be refunded under Section 1903 of the Act.”

Colorado Revised Statutes, C.R.S. 25.5-4-301 (2):

“Any overpayment to a provider, including those of personal needs funds made pursuant to section 25.5-6-206, are recoverable regardless of whether the overpayment is the result of an error by the state department, a county department of human or social services, an entity acting on behalf of either department, or by the provider or any agent of the provider.”

Health First Colorado Provider General Information Manual:

“HIPAA requires providers to comply with the coding guidelines of the AMA CPT Procedure Codes and the International Classification of Disease, Clinical Modification Diagnosis Codes. If there is no time designated in the official descriptor, the code represents one unit or session. Providers should regularly consult monthly bulletins located in the Provider Services [Bulletins](#) section.”