Kaiser Foundation Health Plan, Inc.
CLAIMS SETTLEMENT PRACTICES
PROVIDER DISPUTE RESOLUTION MECHANISMS
Southern California Region

Kaiser Permanente values its relationship with the community partners who serve the health care needs of our Kaiser Foundation Health Plan members. Accordingly, upon execution of a new contract and annually thereafter, we provide this summary of our claims submission requirements and settlement practices, as well as description of our provider dispute resolution mechanisms. Please keep this document for your reference throughout the coming year.

This document and your agreement includes information that Kaiser Permanente is required to give to you under Sections 1300.71(l) and (o) of the Claim and Dispute Resolution Regulations. This information is intended to be consistent with your agreement.

I. CLAIMS SUBMISSION

A. Sending Claims to Kaiser Permanente
Claims for services provided to Kaiser Foundation Health Plan members must be sent to the following:

By U.S. Mail: Kaiser Foundation Health Plan, Inc.
Claims Administration Department
P.O. Box 7004
Downey, California 90242-7004

By Physical Delivery
Other Than by U.S. Mail: Kaiser Foundation Health Plan, Inc.
Claims Administration Department
12254 Bellflower Boulevard
Downey, California 90242

By Electronic Delivery: Contact your local HIPAA compliant clearinghouse for instructions on submitting electronic claims

B. Calling Kaiser Permanente Regarding Claims
For claim filing requirements or status inquiries, you may contact Kaiser Permanente by calling: 1-800-390-3510.

C. Claims Submission Requirements
You are required to submit “complete claims” as defined in the Claims and Dispute Resolution Regulations for the services provided, which must include the following information, as applicable:

- A UB-04 form or a CMS 1500 form with all National Uniform Billing Committee (NUBC) or National Uniform Claim Committee (NUCC) mandatory entries completed;
- All services and diagnoses must be billed using standard billing codes:
  - Revenue codes – Codes used to identify specific accommodation, ancillary service or billing calculation
- HCPCS – HCFA Common Procedure Coding System
- ICD-9-CM – Medical Index for medical diagnostic coding (through 09/30/14)
- ICD-10 – Medical Index for medical diagnostic coding (starts 10/01/14)
- DSM-IV-R – Mental Health diagnostic coding

- The Kaiser Foundation Health Plan member’s identification number, commonly referred to as the Medical Record Number;
- The Kaiser Permanente Authorization/Referral Control Number, for non-emergency services;
- All supporting documentation (e.g., admitting face sheet, discharge summary, operative reports, emergency room reports, medical records, etc.) that is reasonably relevant to the specific claim, and is therefore necessary in determining payment on such claims, should accompany the initial claim(s) submission. If documentation is required beyond what you have provided, we will promptly notify you in writing.
- Treatment notes reasonably relevant and necessary to determine payer liability, including information that demonstrates the need for any CPT code modifier used.

In addition, depending on the claim, additional information may be necessary if it is “reasonably relevant information” and “information necessary to determine payer liability” (as each such term is defined in Section 1300.71(a)(10) and (a)(11) of the Claim and Dispute Regulations).

You are required to submit claims within ninety (90) days after the date of service as a condition for payment, unless your agreement with us provides for a longer timeframe and except as otherwise required or permitted by any state or federal law or regulation. Claims received beyond the applicable filing period will be denied for untimely submission. In these instances, you, as a contracted provider of service, may not bill our Health Plan member, but you may resubmit the claim as a provider dispute. If you choose to resubmit the claim, you must include the reason for your initial late submission of the claim, along with the other required information described in Section IV. “Provider Dispute Resolution Process”.

For inpatient services only, we will accept separately billable claims for services in an inpatient facility on a bi-weekly basis, to the extent required by the Claim and Dispute Regulations.

D. Claims Receipt Verification

Depending on whether you submitted your claim electronically or in paper format, we offer two options to verify the receipt of your claims:

1) For claims filed electronically (through the process known as electronic data interchange or EDI), we will acknowledge to the data clearinghouse, through which you submitted the claim to Kaiser Permanente, our receipt of the claim within two (2) working days of our receiving it from the data clearinghouse.

2) For claims submitted to us in a paper format, you may obtain acknowledgment of receipt by calling our Member Services Call Center at 1-800-390-3510; please allow at least fifteen (15) working days after you submit your paper claim before telephoning to verify our receipt. During that call, the representative will be able to tell you the date the claim was received and the Kaiser Permanente identification number assigned to your claim should you need to contact us again regarding some aspect of the claim’s status or disposition.
II. CLAIMS PAYMENT POLICY

For services entitled to payment under the terms of a provider contract, the terms of that contract control the amount of payment. Please refer to your contract for more detailed information on the reimbursement method and rates that apply to you. The following general rules apply to our payment policies.

Kaiser Permanente’s claims payment policies for provider services follow industry standards as defined by the American Medical Association (AMA), Department of Managed Healthcare (DMHC), and the Centers for Medicare and Medicaid Services (CMS). Routinely updated code editing software from a leading national vendor is used for processing all relevant bills in a manner consistent with the Medicare Correct Coding Initiative, American Society of Anesthesiologists (ASA) and the AMA’s Current Procedural Terminology (CPT) guidelines. Our claims adjudication systems accept and identify all active CPT and HCPCS codes as well as all coding modifiers. Payment for services such as multiple procedures, bilateral procedures, assistant surgeons, co-surgeons and application of modifiers are reimbursed in accordance with Medicare guidelines. When applicable, we request supporting documentation for “unlisted” procedure codes and the application of Modifier 26.

We do not allow code unbundling for procedures for which Medicare requires all-inclusive codes and we will re-bundle the procedures and pay according to Medicare’s all-inclusive codes.

Depending on your specific contract provisions, Kaiser Permanente utilizes case rates, fee schedules, the Average Wholesale Price from the periodically updated Red Book, published by Thomson Healthcare, and/or Medicare guidelines for the reimbursement of immunizations and injectible medications.

Kaiser Permanente calculates anesthesia units in fifteen (15) minute increments.

If your contract so provides, Kaiser Permanente uses reasonable and customary rates to reimburse those services that are not subject to contracted rates. Reasonable and customary rates are determined using a statistically credible database updated at least annually. Kaiser Permanente also uses Medicare Prospective Payment System (PPS) rates, when applicable.

III. OFFICE RESPONSIBLE FOR PROVIDER DISPUTES

The office responsible for provider disputes is the Department of Research and Resolution, Kaiser Foundation Health Plan, Inc., Claims Administration Department, P.O. Box 7006, Downey, California 90242-7006.

IV. PROVIDER DISPUTE RESOLUTION PROCESS

A. Types of Disputes

You must submit a written notice to us if you have a dispute. Your written notice of a dispute is referred to in this document as a “Provider Dispute Notice”.

The following describes the most common types of disputes:

1. **Claims Disputes**: challenging, appealing or requesting reconsideration of a claim (or bundled group of claims) that has been denied, adjusted or contested by us;

2. **Billing Determinations Disputes**: seeking resolution of a billing determination (or bundled group of billing determinations) by us;
3. **Responding to Requests for Overpayment Reimbursements**: disputing a request by us of reimbursement by you of overpayment of a claim; and

4. **Other Contract Disputes**: seeking resolution of a contract dispute (or bundled group of contract disputes) between you and us.

**B. Provider Dispute Requirements**

1. **Directions for Delivery and Mailing of Provider Disputes**

   **By U.S. Mail:** Kaiser Foundation Health Plan, Inc.
   Department of Research and Resolution
c/o Claims Administration Department
P.O. Box 7006
Downey, California 90242-7006

   **By Physical Delivery Other Than By U.S. Mail:** Kaiser Foundation Health Plan, Inc.
   Claims Administration Department
12254 Bellflower Boulevard
Downey, California 90242

2. **Calling Kaiser Permanente Regarding Provider Disputes**
   For provider dispute inquiries and filing information, you may contact Kaiser Permanente by calling: 1-800-390-3510.

3. **Required Information for Provider Disputes**
   Your Provider Dispute Notice must contain at least the information listed below, as applicable to your dispute. If your Provider Dispute Notice does not contain all of the applicable information listed below, we may return the Provider Dispute Notice to you and we will identify in writing the missing information necessary for us to consider the dispute. If you want to continue the dispute, you must submit an amended Provider Dispute Notice within thirty (30) working days after the date that you received your Provider Dispute Notice back from us.

   **Required Information:**
   - Your name, your provider identification number and your contact information;
   - If the dispute concerns a claim or a request for reimbursement of an overpayment of a claim, a clear identification of the disputed item using the same number assigned to the original claim, the date of service, and a clear explanation of the basis upon which you believe that the payment amount, request for additional information, request for reimbursement for the overpayment of a claim, contest, denial, adjustment or other action is incorrect;
   - If the dispute is not about a claim, a clear explanation of the issue and your position on the issue;
   - If the dispute involves a member or a group of members, the name and Medical Record Number(s) of the member(s), a clear explanation of the disputed item(s), including the date(s) of service and your position about the item.

   You may submit your Provider Dispute Notice on our Provider Dispute Resolution Request form (PDRR) (Attached). You may contact us at 1-800-390-3510 to obtain the form. You may also
submit a dispute in writing in any format you prefer, so long as it includes all the information described above.

Your Provider Dispute Notice may be submitted by you or by your authorized representative (for example, a billing service, a collection agency or an attorney) authorized by you to perform this function. If your authorized representative submits your Provider Dispute Notice, that representative will be required to provide confirmation that an executed business associate agreement that complies with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") is in place between you and such representative.

V. TIME PERIOD FOR SUBMISSION OF PROVIDER DISPUTES

Subject to any longer period specifically stipulated under your agreement or required under applicable law, contracted provider disputes must be received by Kaiser Permanente within 365 days from our action (or the most recent action if there are multiple actions) that led to the dispute, or in the case of inaction, contracted provider disputes must be received by Kaiser Permanente within 365 days after our time for contesting or denying a claim (or most recent claim if there are multiple claims) has expired. To the extent that your contract contains a specified process for resolving provider disputes that is different from that described in this Notice, that process will be available to you as specified in your contract after you have submitted your dispute and received our written determination as described above.

VI. TIMEFRAMES FOR ACKNOWLEDGMENT OF RECEIPT & DETERMINATION OF PROVIDER DISPUTES

We will acknowledge receipt of your provider dispute within fifteen (15) working days after the date of receipt by the office designated above. Our return to you of a dispute that does not include all required information constitutes our acknowledgment of receipt of your initially submitted dispute. Kaiser Permanente will issue a written determination stating the pertinent facts and explaining the reasons for its determination of a dispute, to the extent required by applicable law, within forty-five (45) working days after the date of receipt of the contracted provider dispute or an amended contracted provider dispute.

VII. INSTRUCTIONS FOR FILING SUBSTANTIALLY SIMILAR CONTRACTED PROVIDER DISPUTES

Substantially similar multiple payment disputes may be filed in batches as a single dispute, provided that such disputes are submitted in the following format:

Each claim must be individually numbered and contain the provider’s name, the provider’s identification number, the provider’s contact information, the original Kaiser Permanente claim number (if the dispute is claim related), and the Health Plan member’s identification number, also known as the member’s Medical Record Number (if the dispute concerns care provided to a specific Health Plan member or members).

VIII. CLAIM OVERPAYMENTS

A. Notice of Overpayment of a Claim

If Kaiser Permanente determines that it has overpaid a claim, Kaiser Permanente will notify the provider in writing through a separate notice clearly identifying the claim, the name of the patient/member, the date(s) of service and a clear explanation of the basis upon which Kaiser
Permanente believes the amount paid on the claim was in excess of the amount due. The refund request will include interest and penalties on the claim.

B. Contested Notice
   If the provider contests the Kaiser Permanente notice of overpayment of a claim, the provider, within thirty (30) working days of the receipt of the notice of overpayment of a claim, must send written notice to Kaiser Permanente stating that it contests the overpayment notice. If the contest notice to Kaiser Permanente does not include the basis upon which the provider believes that the claim was not overpaid, then that basis must be provided in writing no more than 365 days following the provider’s initial receipt of the Kaiser Permanente notice of overpayment. Kaiser Permanente will process the completed contested notice in accordance with the Kaiser Permanente contracted provider dispute resolution process described in Section IV above.

C. No Contest
   If the provider does not contest the Kaiser Permanente notice of overpayment of a claim, the provider must reimburse Kaiser Permanente within thirty (30) working days of the provider’s receipt of the notice of overpayment of a claim. Failure to do so will result in interest accruing on the unpaid amount beginning with the first calendar day following the thirty working day provider response period.

D. Offsets to Payments
   Kaiser Permanente will only offset an uncontested notice of overpayment of a claim against a provider’s current claim submission when: (i) the provider fails to reimburse Kaiser Permanente within the timeframe set forth in Section VII.C, above, and (ii) Kaiser Permanente’s contract with the provider, or some other written agreement, specifically allows Kaiser Permanente to offset an uncontested notice of overpayment of a claim from the provider’s current claims submission. In the event that an overpayment of a claim or claims is offset pursuant to this section, Kaiser Permanente will supply the provider with a detailed written explanation identifying the specific overpayment or payments that have been offset against the specific current claim or claims.

IX. INTERPRETATION UNDER CONTRACT

To the extent your agreement expressly sets forth any longer time frame or additional process than as set forth above, the contractual provisions shall apply to the extent not prohibited under applicable law.
PROVIDER PAYMENT DISPUTE RESOLUTION REQUEST

NOTE: SUBMISSION OF THIS FORM CONSTITUTES AN AGREEMENT NOT TO BILL THE PATIENT DURING THE PAYMENT DISPUTE RESOLUTION PROCESS.

PROVIDER NAME: ____________________________________________

PROVIDER TAX ID: ____________________________

PROVIDER TYPE: □ MD □ Hospital □ Inpatient Psych Facility □ Outpatient Services □ SNF □ DME

□ Inpatient Rehab Facility □ Home Health □ Ambulance □ Other Professional

(please specify)

CLAIM INFORMATION

Patient Name: ____________________________________________

Kaiser Permanente Medical Record Number: ____________________________

Kaiser Permanente Claim ID Number: ____________________________

Provider Patient Account Number: ____________________________

Service "From" Date: __________ Original Claim Amount Billed: ____________________________

Original Claim Amount Paid: ____________________________

SUMMARY OF SERVICES PROVIDED

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________________________________________________________________________

________________________________________________________________________

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DETAILED DESCRIPTION OF REASON FOR DISPUTE

NOTE: Please attach any support for your dispute, which may include additional supporting documentation, medical documentation (if appropriate), any related laws/regulations you believe are relevant, or any other information you believe would be helpful.

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Contact Name (Please Print) ____________________________ Title ____________________________

Signature ____________________________________________ Phone Number ____________________________ Date ____________________________

Please return form to: Kaiser Foundation Health Plan Inc. Claims Administration Department Post Office Box 7006 Downey, CA 90242-7006