

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES

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TO: BILLING CLERKS AND PROVIDER ENROLLMENT STAFF

FROM: DIVISION OF MEDICAL SERVICES

RE: ERRONEOUS CLAIM BILLING ERRORS

Since July 2011, we have identified over 17,000 non-duplicative claim lines that were unable to process correctly due to missing, inaccurate or unfamiliar information. Claims submissions that do not contain the proper information are unable to be correctly matched with our provider records and will not be displayed on a remittance advice or other billing communication from us.

We have identified the common billing errors for these types of erroneous claims and how to avoid them. Please review this document and share it with both your billing and provider enrollment staff.

Starting with payrolls in March, our staff will notify you of the claims submitted that have been diverted to the erroneous claim file and can not be properly adjudicated. The notification will identify which of the common billing errors caused the claims to be sent to the erroneous claim file.

It is the Provider's responsibility to review their claims along with their Remittance Advices to determine which claim lines had missing, inaccurate or unknown information which prevented the claims from adjudicating correctly. We would encourage you and your staffs to review the attached document to ensure you have the proper processes and procedures in place to avoid these common billing errors.

The Division of Medical Services strives to provide timely and accurate payments to our enrolled providers. Your assistance in reviewing this information and addressing any of the common billing errors will assist in this process.

COMMON BILLING ERRORS FOR ERRONEOUS CLAIMS
AND HOW TO AVOID THEM

Claims that do not contain the proper provider billing information make it impossible for the claim to be matched to the correct provider record and adjudicated properly. These claims are subsequently diverted to an erroneous claims file. The following is a list of reasons why provider claims can not be adjudicated properly and how to avoid this occurrence in the future. Please double check your claims and enrollment information to confirm the following items are present and accurate.

	Reason	How to Prevent Erroneous Claims
1	NPI (Provider Number) is missing or invalid	The NPI number is a 10-digit number assigned to the provider by NPPES. All claims must contain the Billing and Rendering NPIs. Verify the correct NPI number is on the claim form for both the Billing and Rendering NPIs.
2	Incorrect claim form/format used	The claim form/format must be the correct form for the provider type. Refer to the billing manuals for your provider type. The billing manuals can be located at http://dss.sd.gov/sdmedx/includes/providers/billingmanuals/index.aspx
3	Information on claim form not legible	Information on the claim form must be legible. The data should be contained within the specified block and centered in the field--information should not be obscured by lines. Data should not be hand written. Claims should be submitted on original red forms using black ink. Photocopies of completed claim forms increase the chances of error.
4	Invalid Type of Bill (UB-04 Only)	The bill type should be a 3-digit number, please refer to the Institutional Billing Manual for details. The billing manual can be found at http://dss.sd.gov/sdmedx/includes/providers/billingmanuals/index.aspx
5	Provider is not enrolled	New providers (billing or rendering) should not submit claims before SD MEDX enrollment is approved. To enroll as a provider or check enrollment status, please review the enrollment information located at https://dss.sd.gov/sdmedx/includes/providers/becomeprovider/index.aspx
6	Rendering Provider is not associated to Billing Provider	Existing or new rendering providers must be associated to all billing providers that are billing for the rendering provider's services. This association must be approved prior to submitting a claim for service provided by the rendering provider. Please review the Group or Facility enrollment information at https://dss.sd.gov/sdmedx/includes/providers/becomeprovider/index.aspx
7	Provider is not eligible	Providers that did not update their enrollment during SD Provider Re-enrollment in 2010 and 2011 may have let their enrollment eligibility lapse. These provider records were closed. Contact the Provider Response Team at 1-866-718-0084 to inquire about the closure, re-enroll, or request reinstatement. It is the provider's responsibility to maintain and update their records.
8	Mandatory/Necessary Information Missing	Verify you are completing the mandatory fields necessary in the appropriate Provider Manual for paper claim submissions. Refer to http://dss.sd.gov/sdmedx/includes/providers/billingmanuals/index.aspx . If you are submitting claims electronically, verify the mandatory fields are being completed by reviewing the SD Specific 5010 Companion Guides located at http://dss.sd.gov/sdmedx/includes/providers/hipaainfo/index.aspx