



## DEPARTMENT OF ECONOMIC SECURITY

*Your Partner For A Stronger Arizona*

# DIVISION OF DEVELOPMENTAL DISABILITIES

Sent on Behalf of DES/DDD

## CLAIM RECYCLING FREQUENTLY ASKED QUESTIONS

**Q: What is claims recycling?**

A: The current process pends claims for edits related to TPL insurance issues and duplicated claim in batch submissions. These claims are denied with an error code (soft edit) and are given an internal “pended” status in the FOCUS system. These claims are automatically reprocessed for three months, every Tuesday and Friday. Augmentative Communication claims and Habilitation Consultation/ABA claims recycle for up to twelve months.

The system allows the provider to repeatedly submit claims, in addition to what is automatically occurring. The original claim and all resubmissions continue to recycle independently until a hard edit occurs after three months.

**Q: When does this go into effect?**

A: April 1, 2020.

**Q: Who will this affect?**

A: Providers who bill through the FOCUS claims processing system.

**Q: What does this mean for FOCUS claims?**

A: Claims that cannot be paid for missing TPL Insurance Issues or duplicated claims in batch will no longer be pended. Instead of receiving a denial with an internal “pended” status, the provider will receive a hard denial. The claim will be recorded in our system as a “denied” claim.

**Q: How does this impact my business processes?**

A: Providers will receive a denial for claims that are not payable for missing TPL insurance issues or is a duplicated claim in batch.

For claims that are ultimately found to be payable the Providers will receive an initial denial and will have the opportunity to use the claims replacement system. Since Providers likely already resubmit these claims under the current scenario, the main difference will be that the Provider will be required to use the claims replacement system rather than allowing this passive process to automatically recycle their claims.

For claims that are ultimately unpayable, the hard denial will be more timely and the provider will not have to wait three months or 12 months for this determination.

**Q: Do I need to continue requesting hard denials after April 1, 2020?**

A: For Providers who currently request hard denials for all pended claims on a regular basis, the hard denial requests will no longer be necessary.

**Q: Will this increase my denied claims?**

A: For Providers who routinely render services without verifying authorizations, denied claims will increase. Providers will need to use the FOCUS Claim Replacement system to ensure timely claims are reprocessed appropriately.

**Q: Will Claims submitted after 6 month requirement still be paid if waiting for EOB from TPL?**

A: Providers will be paid as long as there is a denied claim within the 6 months requirement.

For Providers who submit claims and TPL waiver requests or insurance benefit updates simultaneously, denied claims will increase. While the initial claims must be received within 6-months from the date of service, Providers are encouraged to obtain waivers and submit insurance benefit updates prior to the corresponding claim submission.