

VA



U.S. Department of Veterans Affairs

Veterans Health Administration
Office of Community Care

VA Community Care Paper Claims Submissions

Provider Training Guide

October 2018

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Learning Objectives & Training Topics

Training Topics

1. Overview

- What is the transition from paper claims to electronic format?
- What are the benefits of transitioning to electronic claims?

2. Paper Claims Submission Process

- What are the ways that providers can submit paper claims to VA?
- What is the new process for submitting paper claims?
- What claims are exempt from the transition to processing paper claims electronically?
- Why are claims typically rejected?

3. Assistance with Paper Claims

- What if a paper claim is rejected?
- What can I do to prevent my paper claim being rejected?
- Where can I find additional assistance with submitting paper claims?

4. Appendix

- What is the process for electronic claims?
- Can electronic claims include attachments?

Learning Objectives

- To learn the reasons and benefits of VA transitioning from paper to electronic-based claims.
- To learn the new process of submitting paper claims via mail for electronic conversion.
- To obtain information and resources for assistance with submitting paper claims.

Training Topic 1: Overview (1 of 3)

Overview

Training Topic 1: Overview (2 of 3)






What is the transition from paper claims to electronic format?

- VA is transitioning away from paper-based claims to an electronic format, Electronic Data Interchange (EDI) transactions, in order to improve its claims submission and processing capabilities.
- Community providers will be instructed to send Veteran's paper health claims submissions to a single location where they will be converted and sent to VA medical centers as electronic claims.
- As part of VA's recent efforts to increase efficiency and accuracy in claims processing, paper claims will be scanned automatically for non-compliant form fields based on national standards, which should reduce the need for VA staff to manually correct non-compliant fields through claims processing. Community providers should be aware, however, that this intake scan may cause an increase in rejections at the beginning of claims processing.
- The transition of paper claims to electronic format is also being augmented with the release of EDI 275 Attachments, which will allow claims with supporting medical documentation to be submitted electronically as 275 attachments.



Training Topic 1: Overview (3 of 3)

What are the benefits of transitioning from paper to electronic format?

-  Reduces manual entry and the number of steps required for claims receipt.
-  Reduces the overall number of paper claims manually processed.
-  Reduces processing time.
-  Increases overall efficiency and turnaround time for claims processing and payment.
-  Improves accuracy of adjudication and reimbursement and automatically identifies potential errors in claim fields before submission.

Training Topic 2: Paper Claims Submission Process (1 of 4)

Paper Claims Submission Process

Training Topic 2: Paper Claims Submission Process (2 of 4)

What are the ways that providers can submit claims to VA?

Providers who primarily submit paper claims (due to the need to provide supporting medical documentation, i.e. attachments) can now submit claims the following two ways:

- **Option 1 – Submitting Electronically via Change Healthcare and Electronic Data Interchange (EDI):** You can work with VA's clearinghouse, Change Healthcare, to begin submitting claims electronically. Note that this process will include the new attachment transaction, EDI 275 Attachments, for supporting documents (see slide 16-17 for information on Change Healthcare and the electronic, EDI submission process).
- **Option 2 – Mailing Claims:** Beginning in mid-to-late 2019, if you are unable to process claims electronically, providers will begin mailing paper claims to a new single Community Care address for central processing (see Slide 9 for exceptions).

NOTE: We first encourage providers to submit claims electronically through their clearinghouses when possible. We will provide additional details on how to submit claims electronically once the EDI 275 Attachments transaction functionality has completed development.

Training Topic 2: Paper Claims Submission Process (3 of 4)

What is the new process for submitting paper claims?

Community provider mails the paper claims and attachments to the new mailing address of the VA's centralized claims intake site.



Staff at VA's central location scans and converts the paper claims and attachments to an electronic format: an Electronic Data Interchange (EDI) transaction.



Once converted to an EDI transaction, claims and attachments will be submitted using the normal EDI process through the Change Healthcare clearinghouse.

Training Topic 2: Paper Claims Submission Process (4 of 4)

Which claims are exempt from the transition to processing paper claims electronically?

The following types of claims are *not* included in the new paper claims submission process:

- Caregiver Bowel and Bladder
- Federal or Tribal government health care
- Reconsiderations/Appeals
- Other programs that do not bill on a CMS-1500 (HCFA-1500) or CMS-1450 (UB-04)
- Contract Nursing Home
- Veteran Directed Care
- Dental



NOTE: We are currently reviewing processes and details of these exceptions in order to include some of these in the future.

Training Topic 3: Assistance with Paper Claims (1 of 5)

Assistance with Paper Claims

Training Topic 3: Assistance with Paper Claims (2 of 5)

What if a paper claim is rejected?

If a claim is rejected, providers should receive a notification letter from VA describing the rejection, and the reason and associated code for the rejection (e.g. "Reject reason 088-Invalid Service Facility Address").

The following slides will review the top three most common rejection reasons for CMS-1500 (HCFA-1500) and CMS-1450 (UB-04) claims and what the VA requires when filling out these forms to prevent these rejections.

For additional information on paper claims rejections and how to avoid them, view the "Preventing Paper Claims Rejections" Fact Sheet or view the full list of rejections and associated codes on the [VHA Office of Community Care website](#).

Training Topic 3: Assistance with Paper Claims (3 of 5)

What can I do to prevent my paper claim being rejected?

How to avoid Health Care Finance Administration (HCFA) claims forms rejections

CMS-1500 (HCFA-1500) claims forms are the official standard form used by physicians and other providers when submitting bills/claims for reimbursement to Medicare/Medicaid for health services. It is also used by private insurers and managed care plans. A few of the most common reasons for CMS-1500 (HCFA-1550) claims rejections are as follows:

- 1. Rejection Reason (016): The claim contains a missing, incomplete, or invalid Insured ID.**
Explanation: This is the most common reason for paper claims rejection. The “Insured ID,” which is also the patient’s social security number, must be in box 1a and total exactly 9 numeric digits. A combination of numbers and letters, or an incomplete entry, will result in rejection of the claim.
- 2. Rejection Reason (086): The claim is missing an Insurance Plan Name or Program Name.**
Explanation: Submissions must include the name of the insurance plan or program in box 9D, “Insurance Plan Name or Program Name,” as this is a required field.
- 3. Rejection Reason (088): The claim has an invalid Service Facility Address.**
Explanation: The location of the service facility, shown in box 32, “Service Facility Location Information,” must be the address of a physical street address of a building where the actual service was performed. A PO Box is not acceptable as a valid street address for the service facility locations. If box 33 on the CMS-1500 (HCFA-1550) is a street address and nothing is in box 32, it's presumed to be the same and will *not* be rejected.

Training Topic 3:

Assistance with Paper Claims (4 of 5)

What can I do to prevent my paper claim being rejected?

How to avoid CMS-1450 (UB-04) claims forms rejections

The CMS-1450 (UB-04) is a claim form used by hospitals, nursing facilities, in-patient, and other facility providers. A specific facility provider of service may also utilize this type of form. A few of the most common reasons for CMS-1450 (UB-04) claims rejections are as follows:

- 1. Rejection Reason (016): The claim contains a missing, incomplete, or invalid Insured ID.**
Explanation: This is the most common reason for paper claims rejection. The “Insured ID,” which is also the patient’s social security number, must be included and inputted in box 60 and this entry must total exactly 9 numeric digits only. A combination of numbers and letters, or an incomplete entry, will result in rejection of the claim.
- 2. Rejection Reason (021): The claim is missing a Patient Control Number.**
Explanation: The “Patient Control Number” in box 3a is a required field for every claim.
- 3. Rejection Reason (034): The claim contains an invalid or missing Patient Reason Diagnosis Code.**
Explanation: The diagnosis code, or “Patient Reason DX” is the reason for the Veteran seeing the provider and the reason they are being treated. VA must have at least one official code from the American Medical Association (AMA) database on the form. Please enter the appropriate code in box 70, under “Patient Reason DX.”

Training Topic 3: Assistance with Paper Claims (5 of 5)

Where can I find additional assistance with submitting paper claims?

- Learn more about paper claims submission on the [VHA Office of Community Care website](#), where materials will be available to include training guides, fact sheets, and how to avoid common reasons for claims rejections.
- Contact P2Einquiries@va.gov for additional questions related to the paper claims submission process.



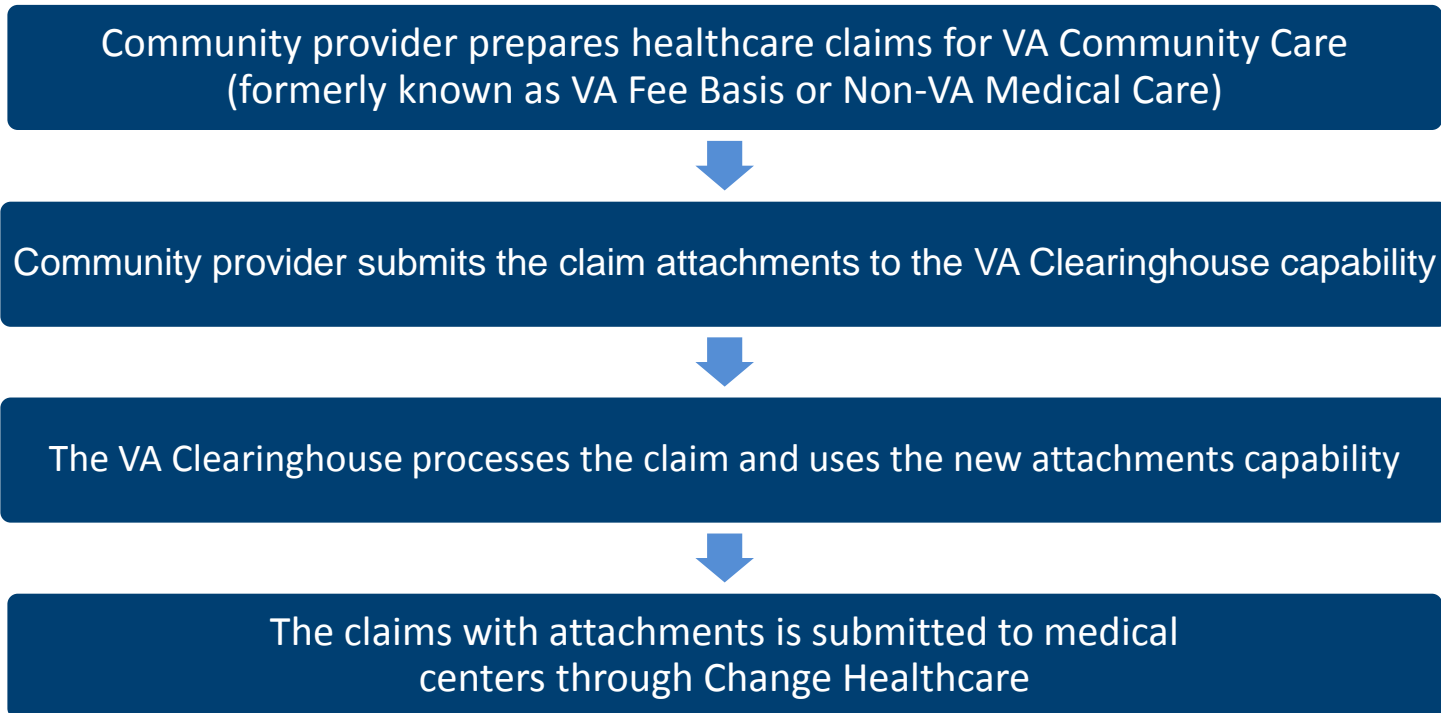
Appendix



Electronic Claims Submission Process (1 of 2)

What is the Process for Electronic Claims?

Community providers and their billing offices can submit claims electronically using EDI through the VA's clearinghouse via Change Healthcare. Additionally, the new attachments feature will allow VHA to accept EDI 275 Attachments.



Electronic Claims Submission Process (2 of 2)

Can Electronic Claims Include Attachments?

Attachments: A New EDI Capability

- Supporting documentation can be submitted as X12 275 Attachments to the Change Healthcare portal
- Attachments include any documents that would normally be sent via paper in support of a claim, e.g. health notes or other data related to demographic, clinical information
- Attachments can be sent to VA and accepts any file formats supported in the X12 ASC 275 (including but not limited to GIF, MIME, HL7 Clinical Document Architecture, and PDFs)

For assistance with electronic claims:

- Contact Change Healthcare to assist with details on submitting electronic claims at 888-545-6127 or submit a [contact form](#)
- Visit the [VHA Office of Community Care website](#) for additional information on submitting electronic claims