

ANALYSIS OF WALA FAMILY CARE CLAIMS PAYMENT E-MAIL SURVEY

Introduction

In January 2010, the Wisconsin Assisted Living Association (WALA) distributed a brief e-mail survey to its members asking about their experience with claims payment timeliness in Family Care. WALA developed the survey in response to increasing concerns expressed by its members about significant delays in claim payments. The survey was an effort to get more information about claim payment timeliness in Family Care, to share with state policymakers, DHS staff and MCOs.

The survey was not designed as a “scientific” survey, and no claim is made that the results are representative of the experience of assisted living providers as a whole. However, the information shared by respondents provides useful insight into the experience of assisted living providers.

Profile of survey respondents

Responses were received from 26 assisted living providers. Of these, identifying information was available for 19 providers representing 74 facilities and over 1400 assisted living beds. Seven providers responded anonymously.

Some respondents contract with a single MCO, while many contract with more than one MCO. Table 1 shows the number of respondents contracting with each MCO.

Table 1
Number of Respondents Contracting with Each MCO

MCO	Number of Respondents Contracting
Care Wisconsin	13
Community Care	5
Community Health Partnership	0
Community Care of Central Wisconsin	3
Lakeland Care District	2
Milwaukee County Dept. on Aging	2
Southwest Family Care Alliance	6
NorthernBridges	3
Western Wisconsin Cares	5

(Total number exceeds number of respondents because many respondents contract with multiple MCOs.)

The percentage of receipts from Family Care for respondents varied significantly by provider, as shown in Table 2.

Table 2
Percent of Receipts from Family Care for Responding Facilities

Percent of Receipts from Family Care	Number of Respondents
Less than 10%	2
10%-30%	6
31%-50%	3
51%-70%	3
71%-90%	4
More than 90%	3
Respondent did not answer question	5

Claims payment experience

Providers were asked the following questions about their claims payment experience.

- Do you usually receive reimbursement within 30 days of submitting a clean claim? (Note that MCO contracts with DHS require clean claims to be paid within 30 days.)

Table 3
Experience with Claims Payment Timeliness

Respondents answering:	Number of respondents:
Yes	10
Usually	4
Until recently, but not now	3
Sometimes (yes for one MCO, no for another)	1
No	8

Responses of “until recently, but not now” or “no” categories were primarily from providers working with an MCO that has experienced problems transitioning to a new TPA for claims payment. However, several providers also referenced past timeliness problems with other MCOs, noting that they had been solved.

- If it has taken more than 30 days, what is the longest amount of time (in excess of 30 days) that you've had to wait for reimbursement?

Table 4
Waiting Times for Reimbursement

Wait times in excess of 30 days for respondents answering this question:
• 20 days
• 21 days
• 29 days
• 45 days
• 60 days
• 60-90 days
• 2 months
• 90 days (4 responses)
• 6 months
• 18 months

- What was the dollar amount of the late claim?

Table 5
Dollar Amounts of Late Claims

Average late claim amount	\$48,682
Median late claim amount	\$14,207
Highest reported late claim amount	\$313,000
Lowest reported late claim amount	\$4,190
<i>(in addition, one respondent reported a number of late claims ranging from \$730-\$30,000)</i>	

- Have you contacted the MCO and/or TPA for assistance? If so, what was their response?

All respondents reported that they had contacted the MCO and/or TPA for assistance with claims in the past.

Responses received through those contacts can be summarized as follows. (Note that some respondents had comments in more than one category.)

Table 6
Respondent Experience Contacting MCO or TPA for Assistance with Claims Issues

Experience contacting MCO or TPA described as:	Number of Respondents
Helpful and responsive	9
Not helpful. Personnel contacted cannot fix the problem or answer questions.	4
Not helpful. Personnel promise to return calls, but calls are not returned.	2
Cannot reach anyone to talk to	1
MCO /TPA is unresponsive	1
MCO/TPA was unresponsive until DHS intervened	1

Comments accompanying the surveys

Many respondents submitted thoughtful comments and suggestions along with their survey response. These comments are summarized below.

Promptness of claims payment

- Late claims payments are a significant issue for assisted living providers, since they depend on prompt payment to meet payroll and pay other business expenses.
- Generally, claims payment experience is acceptable for most MCOs. There are occasional problems which are generally resolved in a reasonable timeframe.
- However, significant payment delays are an extremely serious problem for providers. Recent experiences with an MCO transitioning to a new TPA have put providers at significant financial risk. The problem is not only that the payments are late. It is also that the MCO is unable to provide reliable projections of when payments will be received.
- Providers request that they be told in advance if an MCO is transitioning TPAs, so that they can anticipate potential problems. They also suggest that TPA systems be thoroughly pilot-tested before implementation.
- Positive comments were received concerning prompt claims turnaround for Southwest Family Care Alliance and Milwaukee Department of Aging.

Customer service

- Some providers reported frustration at help desk staff who say “I’ll need to check with my supervisor, and I’ll call you back”---with calls never returned.
- There is also frustration about help desk staff who are powerless to help resolve problems, due to intractable systems issues with the claims payment system.
- Sometimes help desk staff can verify receipt of a claim, but cannot project the payment date.
- Sometimes providers are required to resubmit claims when they have evidence that the claim has been submitted and received. They are sometimes held accountable for problems that were caused by the TPA.
- At the same time, a number of providers had high praise for the customer service they receive, noting that staff are friendly and helpful.
- Particularly positive comments were received regarding customer service at the Southwest Family Care Alliance.

Communications

- There is sometimes a mismatch between the provider’s record of authorized hours and the MCO’s information. Good processes are needed to avoid this problem and to quickly resolve it when it occurs.
- Providers noted that claims are often determined to be “not clean” for very minor reasons. Rather than being bounced, these problems could easily be remedied with a phone call.
- A provider noted that she is routinely not informed when a resident’s MCO care manager changes. If a member is hospitalized, she needs to call the care manager to get bedhold authorization. She leaves a voice mail message with the “old” care manager, who does not transfer the information to the “new” care manager, and does not tell the provider that she needs to contact someone else. Hence the bedhold authorization does not go through.

Family Care policy

- Some providers question why MCOs should have 30 days after the month of service to pay a claim, while private payers pay up front. One provider noted that MCOs have 60 days more to pay than private payers.
- One respondent suggested that MCOs should be required to pay interest or fines for late claims.
- A provider noted that when a Family Care member leaves a facility, the family has 30 days to pick up belongings. Since bedhold covers only 14 days, the provider may be liable for up to 16 uncompensated days.