

Provider Bulletin



News and Information

November 16, 2023

UCare to Implement Outpatient Hospital Pricing Software and Select Inpatient Post-Payment Claims Review

Outpatient Hospital Pricing Software for Minnesota Health Care Programs (MHCP)

Effective with dates of service on or after Jan. 1, 2024, UCare will begin using a new software that applies industry standard, applicable edits to outpatient acute care hospital claims for UCare members in Prepaid Medical Assistance Program, MinnesotaCare, Minnesota Senior Care Plus and UCare Connect. These edits are already being applied to UCare's other lines of business, such as Medicare and Individual and Family Plans.

The new edits will affect providers who are contracted for outpatient services at a payment methodology based on the UCare MHCP Outpatient Fee Schedule. Providers may experience processing and/or pricing changes. Use of this software will improve payment accuracy and consistency with all UCare products and other payers, including the Department of Human Services.

Additionally, the new software removes the need for providers to append modifier -59 to laboratory service on a claim to indicate services are eligible for separate payment. This billing requirement, which was introduced in March 2017, is not needed. Services will pay when eligible to be separately paid.

Select Inpatient Post-Payment Claims Review

UCare has partnered with a third-party vendor, Optum, to conduct post-payment claims review on selected inpatient claims. The reviews will occur for UCare plans that have claims that price using Diagnosis Related Groups payment methodologies. The reviews will target certain Medicare Severity Diagnosis Related Groups (MS DRG) and All Patient Refined Diagnosis Related Groups (APR DRG) to ensure reimbursement is appropriate. Optum will notify the provider of any findings that would warrant a review of medical records, and subsequently request those records. Upon review of the records, providers will be notified of any findings that do not support the claim billed. Providers will have 30 days to appeal.

If the provider fails to respond to the request for medical records within the allotted timeframe, UCare reserves the right deny the claim until medical records can be reviewed.

Audits will start with inpatient claims with a paid date on or after Jan. 1, 2024, using a MS DRG/APR DRG methodology. This process aligns with UCare's Claims Auditing and Recovery practices as listed in the Claims and Payment chapter of the [Provider Manual](#).

For additional information on either of these changes, contact the Provider Assistance Center at 612-676-3300 or 1-888-531-1493 toll free, Monday through Friday from 8 am to 5 pm.