December 9, 2014

Memo No. 49 (14)

To: IMA Members

From: Teresa Cirelli, Reimbursement Director
       Kathrine Forstie, Reimbursement Specialist

Subject: UPDATE: Noridian Medicare Routine Diagnosis Denials

IMA Reimbursement staff continues to stay in contact with Noridian Medicare regarding the denials for routine diagnosis. A previous update was provided in the December 1 newsletter.

The mass adjustment was started on November 24 and completed last week. Offices started receiving electronic payments on Thursday, December 4. A few practices received a second denial for claims that reprocessed through the mass adjustment. Noridian identified the root cause and fixed the issue on December 8. There will be a second mass adjustment planned this week.

Secondary payers may have made full payment based on the denial from Medicare. Once the Medicare payment is processed, there will be an overpayment created on the account that will need to be refunded. The erroneous denials are a burden on practices as month/year end balancing for accounts receivables begins to take place.

Noridian Medicare incorrectly denied Evaluation and Management (E/M) services indicating the diagnosis submitted was routine. The denials occurred on claims processed between November 3-20, 2014. Noridian corrected the edit November 20 which was causing the denials to all E/M services. Based on information we received from Noridian, we indicated the edit was corrected on November 12 in our initial November 13 memo.

The claims were denied based on process date. Review the claim control numbers assigned by Noridian, to determine the Julian date the claim was received. The first two digits are usually a 19. Digits 3-7 are the Julian date with digits 3-4 indicating the year and digits 5-7 indicating the day of the year. Example: 1914317 is a claim received on November 13, or the 317th day of the year. Claims with Julian day 324 were processed November 20. Any claim with Julian date 325 or higher should process correctly.

Denial codes indicate PR-49 on the claim line and may also include remarks code N429.

PR-49 - This is a non-covered service because it is a routine/preventive exam or a diagnostic/screening procedure done in conjunction with a routine/preventive exam

N429 Not covered when considered routine.

If you have any questions, please contact Teresa Cirelli: teresa@idmed.org or Kathrine Forstie: kathrine@idmed.org or call the IMA office at (208) 344-7888.