RESOLUTION 22-09A

Title: **Timely Payment via Standardization of Medical Claims, Submission, and Processing**

Introduced by: **John A. Waters, MD, for the Genesee County Delegation**

Original Author: **John A. Waters, MD**

Referred to: **Reference Committee A**

House Action: **Adopted as Amended**

Whereas, in January of 2007 the Greater Flint Area Health Coalition Board of Directors, made up of stakeholders including insurance companies, physicians, hospitals, unions, industry, educational institutions, and the community at large, approved the Prompt Payment Task Force Statements of Request regarding standardization of medical claims submission and processing, and

Whereas, the adopted statement proposes three solutions relative to improving the consistency of medical claims submission and processing between payer and organizations, and

Whereas, those three recommendations include a single set of claims submissions and uniform modifiers with uniform interpretation across payers for all claims processing; payer specific modifiers and their associated interpretations no longer being acceptable; and the scrutiny of the entire CMS 1500 form and the establishment of consistency to create a single set of rules with uniform interpretation across payers to be accepted, instituted, and adhered to for all claims processing, and

Whereas, after reviewing payer rules associated with modifier application and surveying payer organizations regarding their rules and procedures for processing claims, the Greater Flint Health Coalition Prompt Payment Task Force identified four key areas to standardization of medical claims submission and processing including variation in the application of hierarchy for payments effecting modifiers; customized payer specific edits to claims processing software; customized claim processing rules that contribute to differences in reimbursement levels, which impact how providers submit claims for payment; and variations of claims submission processes by provider, and

Whereas, it is the consensus of the Prompt Payment Task Force that customized claims processing causes infrastructure cost across many sectors of health care including providers, payers, and purchasers, which contributes to increased cost to the overall health care system, and

Whereas, to achieve standardization, significant changes in the infrastructure of medical claims submission and processing will be required; therefore be it

RESOLVED: That MSMS work toward establishing a common language for the health care system that will move the system to interoperability in claims submission.

WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE