



**CABOT
EMERGENCY
HOSPITAL**



**FORT SMITH
ER & HOSPITAL**

WHY WE ARE HERE

Challenges Hospitals Face in Arkansas

1. Arkansas ranks among the **lowest** reimbursement rate for commercial health insurance in the country.
2. Insurance companies often automatically down code or reject codes of chart submissions without first requesting the records or reviewing the patient encounter.
3. **No Surprises Act** – Threat to all Out of Network Physicians and hospitals in Arkansas
 - Outdated paper process
 - No statewide regulation

Arkansas

Variance in Allowed Amounts for same services *Arkansas among the lowest in the country*

BECKER'S
Hospital CFO Report

The discrepancy between commercial and Medicare rates varied by state. Five states — **Arkansas**, Iowa, Massachusetts, Michigan and Mississippi — had commercial prices **below 200%** of Medicare prices. **Seven states** — California, Florida, Georgia, New York, South Carolina, West Virginia and Wisconsin — had commercial prices **above 300%**.



- In 2022, across all hospital inpatient and outpatient services (including both facility and related professional claims), employers and private insurers paid, on average, 254 percent of what Medicare would have paid for the same services at the same facilities.

NO SURPRISES ACT

NSA – No Surprises Act

- The No Surprises Act is a federal law that took effect January 1, 2022, to **protect consumers from most instances of “surprise” balance billing.**
- **The NSA limits the amount an insured patient will pay for emergency services furnished by an out-of-network provider.**
- The NSA limits payments to a statutorily calculated median in-network rate (Qualified Payment Amount or “QPA”).
- **Insurers often initially pay lower amounts than the QPA, which commonly leads to an arbitration process known as Independent Dispute Resolution (“IDR”).**
- Recent legal and regulatory developments support returning to a normalized process.

As Seen in the Media



"A recent EDPMA study on payer behavior found that post-NSA OON payments decreased by an average of 32% compared to pre-NSA OON payments for clinically identical services. Data also shows that payers routinely fail to comply with QPA disclosure requirements and often ignore claims in the open negotiation period.

These hardball tactics have pushed more physicians into OON status, leading to an avalanche of payment disputes that quickly overwhelmed the IDR system."

Arkansas' Outdated NSA Process

- In Arkansas, hospitals are required to fill out forms and send to a non-monitored email for NSA processes and are required to submit line-item request on these forms via paper.
- This cumbersome process increases employee costs and leads to significant delays in efforts to resolve claims for the Qualifying Payment Amount, which should be paid at initial processing.
- Insurance representatives will not discuss claims with the hospital billing companies, and they place the burden on the patients to provide information concerning the processing of claims to the hospital billing companies.

Insurance Downgrading Claims

- Insurance companies often automatically ***down code*** emergency level on claims before ever initiating a review of the medical record.
- This results in a decreased payment and creates additional claim appeal to ultimately arrive at the payment amount that should have been allowed on the first processing.
- This is a systemic practice that affects hospitals and physicians nationwide.

Arkansas VS. Electronic NSA Submission

- Arkansas requires paper forms and email/mail process. Extending the timeline for processing to 30-60 + days.
- Once NSA Open Negotiation request is submitted, the response is often confusing and contradictory. These forms are outdated and delay processing of claims.

Open Negotiation Notice | Instructions

To submit an open negotiation request to dispute the amount or denial of payment, out-of-network providers must submit the following Open Negotiation Notice Form to Arkansas Blue Cross and Blue Shield by email at opennegotiations@arkbluecross.com or by mail to:

Attn: Open Negotiations
P.O. Box 2181
Little Rock, AR 72203

From: open negotiations <opennegotiations@arkbluecross.mail.onmicrosoft.com>
Sent: Thursday, April 11, 2024 4:08 PM
To: [REDACTED]
Subject: Automatic reply: OPEN NEGOTIATION REQUEST LRRH20670-13

Please note that this inbox is no longer monitored.

To submit an open negotiation request to dispute the amount or denial of payment, out-of-network providers must submit an Open Negotiation Notice Form to:

- Provider Portal: provider.multiplan.com/webcenter/portal/provider
- E-mail: NSAService@multiplan.com
- For PPN Initiation Toll-Free Phone Number: 888-593-7427

Negotiation requests may be submitted up to 30 business days after initial payment or denial and negotiations may continue for 30 days, beginning the day the form is sent. To expedite review of your negotiation request, please be sure to include the following information when submitting:

1. Completed "Open Negotiation Notice" (note: if you need more space on p. 4 you may add a duplicate page)
2. Copy of the remittance advice, explanation of payment and/or claim form

Please ensure that all form fields are filled in prior to submission.

You can access the Notice of IDR Initiation at the following link:
<https://nsa-idr.cms.gov/paymentdisputes/s/>

Arkansas VS. Electronic NSA Submission Cont.

Texas, New Mexico, Illinois and Oklahoma utilize Availity for immediate responses to NSA request.

♥ Independent Dispute Resolution
Submit disputes

The screenshot shows the 'Start New Negotiation' form. It includes a 'Plan' dropdown menu, a 'Claim Number (DCN)' input field, and radio buttons for 'Billing Provider' (selected) and 'Rendering Provider'. There is also a 'Clear' button and a 'Submit' button.

Your Open Negotiation

You are eligible to file this dispute under No Surprises Act (NSA).

Open Negotiation Details				
Claim Notification Date	Claim No.	Plan	Group	Subscriber
05/15/2024	[REDACTED]	TX	[REDACTED]	[REDACTED]
Patient Name	Patient DOB	Total Billed Amount	Total Allowed Amount	Patient Share
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Total Paid Amount	Date(s) of service	Service Code(s)		
[REDACTED]	05/02/2024 - 05/02/2024	90715, 73130, 90471, 96372...		

Enter the total amount of your offer, including cost-sharing and any amounts already paid for the claim.

The screenshot shows the 'Enter Your Offer' input field with a dollar sign (\$) and a 'Confirm Offer' button. There is also a 'Cancel' button.

Summary

Insurance:

1. Commercial payment structure to be more consistent with the national averages.
2. Timely/proper payments from insurance companies on the first attempt to limit disputes and resubmission causing delays in payment.
3. Reduce number of automatic denials and automatic down coding by insurance companies.
4. Hold insurance companies accountable for strategic delays in payment and require those insurance companies to negotiate in good faith.
5. Adopt a statewide electronic system for Open Negotiations
6. Develop and implement statewide legislations to provide an alternative to the Federal NSA, example bills passed in [Texas](#) and [New Mexico](#).

QUESTIONS?