

Valley Care Physicians IPA Medical Associates, Inc.

(“VALLEY CARE IPA”)

CLAIMS SETTLEMENT PRACTICE & DISPUTE RESOLUTION MECHANISM

As required by Assembly Bill 1455, effective January 1, 2004, the California Department of Managed Health Care has set forth regulations establishing certain claim settlement practices and the process for resolving claims disputes for managed care products regulated by the Department of Managed Health Care. This information notice is intended to inform Professional (aka “provider”) of your rights, responsibilities and related procedures as they relate to claim settlement practices and claim disputes for commercial HMO and POS products where Group (aka “Valley Care”) is delegated to perform claims payment and Group’s provider dispute resolution processes (where Group has financial risk). Unless otherwise provided herein, capitalized terms have the same meaning as set forth in Sections 1300.71 and 1300.71.38 of Title 28 of the California Code of Regulations.

Providers are not required to submit disputes in writing and may, alternatively, telephone Valley Care at **(805) 604-3308** with inquiries or concerns; in which case Valley Care will respond to the inquiry or concern by following Valley Care’s standard customer service procedures, in lieu of the Provider Dispute Resolution Process outlined below.

Timeframes set forth in this procedure are intended to promote timely handling of provider disputes. Failure by Group to meet any of the specified timeframes or to meet and confer with the provider shall not be construed to mean that the dispute has been resolved in the provider’s favor; but rather shall be deemed an exhaustion of Group’s internal appeals process, thus freeing the provider to proceed with other remedies available under this Agreement.

1. Claim Submission Instructions:

- A. Sending Claims to Valley Care: Claims for services provided to members assigned to Valley Care must be sent to the following within ninety (90) days following the date of service. Valley Care will make all reasonable exceptions to this deadline due to circumstances beyond the provider’s control (e.g., Valley Care is the secondary payor and provider had to first bill the primary payor, or provider did not have proper insurance information on the patient:

Via Mail: 1901 N. Solar Dr. #215
Oxnard, CA 93036

- B. Calling Valley Care Regarding Claims: For claim filing requirements or status inquiries, you may contact Valley Care by:

Via Web Site: www.valleycareipa.com

Via Telephone: (805) 604-3308

- C. Claim Submission Requirements: The following is a list of claim timeliness requirements, claims supplemental information and claims documentation required by Valley Care:

Provider shall bill Valley Care and/or plan for all Covered Services rendered to an Enrollee. Provider shall submit to Valley Care and/or Plan a CMS 1500 or UB 04 claim form (or its successor form).

To expedite processing, claim should include complete billing information, including provider

name, billing address, tax ID number, appropriate diagnosis (ICD-9) and procedure (CPT-4 / HCPCS) codes, date of service, along with patient information including name, date of birth, health plan name and ID number.

- D. Claim Receipt Verification: For verification of claim receipt by Valley Care, please do the following:

Via Web Site: www.valleycareipa.com

Via Telephone: (805) 604-3325

2. **Dispute Resolution Process for Non-Contracted Providers:**

Non-contracted providers may submit disputes only as regards payment issues. To do so, the provider would either follow the procedure below for contracted provider disputes, or may use Valley Care's informal process by calling **(805) 604-3308**.

3. **Dispute Resolution Process for Contracted Providers:**

- A. Definition of Contracted Provider Dispute: A contracted provider dispute is a provider's written notice to Valley Care and/or the member's applicable health plan challenging, appealing or requesting reconsideration of a claim (or a bundled group of substantially similar multiple claims that are individually numbered) that has been denied, adjusted or contested; or seeking resolution of a billing determination or other contract dispute; or disputing a request for reimbursement of an overpayment of a claim. Each contracted provider dispute must contain, at a minimum the following information: provider's name; provider's identification number, provider's contact information, and:

- (i) If the contracted provider dispute concerns a claim or a request for reimbursement of an overpayment of a claim from Valley Care, the following must be provided: a clear identification of the disputed item, the date of service and a clear explanation of the basis upon which the provider believes that payment amount, request for additional information, request for reimbursement for the overpayment of a claim, contest, denial, adjustment or other action is incorrect;
- (ii) If the contracted provider dispute is not about a claim, a clear explanation of the issue and the provider's position on such issue; and
- (iii) If the contracted provider dispute involves an enrollee or group of enrollees, the name and identification number(s) of the enrollee or enrollees, a clear explanation of the disputed item, including the date of service and provider's position on the dispute, and an enrollee's written authorization for provider to represent said enrollees.

- B. Sending a Contracted Provider Dispute to Valley Care: Contracted provider disputes submitted to Valley Care must include the information listed in Section 3.A, above, for each contracted provider dispute. All contracted provider disputes must be sent to the attention of: **Provider Dispute Resolution / Valley Care IPA**, at the following:

Via Mail: 1901 N. Solar Dr. #215
Oxnard, CA 93036

Via Delivery: 1901 N. Solar Dr. #265
Oxnard, CA 93036

Via E-mail: pdr@med3000.com

Via Fax: (805) 988-5161

C. Time Period for Submission of Provider Disputes:

- (i) Contracted provider disputes must be received by Valley Care within 365 days from Valley Care's action that led to the dispute (or the most recent action if there are multiple actions) that led to the dispute, or
- (ii) In the case of inaction on a claim, Valley Care must receive Provider Disputes within 430 days, but no sooner than 60 days, after submission of the claim to Valley Care. (Under our provider contracts, Valley Care has 60 days to process a claim. This allows 365 days plus an additional 5 days beyond the 60 days.)
- (iii) Contracted provider disputes that do not include all required information as set forth above in Section 3.A. may be returned to the submitter for completion. An amended contracted provider dispute, which includes the missing information may be submitted to Valley Care within thirty (30) working days of your receipt of a returned contracted provider dispute.

D. Acknowledgment of Contracted Provider Disputes: Valley Care will acknowledge receipt of all contracted provider disputes as follows:

- (i) Valley Care will acknowledge electronic contracted provider disputes within two (2) working days of the date of receipt by Valley Care.
- (ii) Valley Care will acknowledge paper contracted provider disputes within fifteen (15) working days of the date of receipt by Valley Care.

E. Contact Valley Care Regarding Contracted Provider Disputes: All inquiries regarding the status of a contracted provider dispute or about filing a contracted provider dispute must be directed to Valley Care at:

Via Mail: 1901 N. Solar Dr. #215
Oxnard, CA 93036

Via Delivery: 1901 N. Solar Dr. #265
Oxnard, CA 93036

Via E-mail: pdr@med3000.com

Via Fax: (805) 988-5161

Via Telephone: (805) 604-3308

F. Instructions for Filing Substantially Similar Contracted Provider Disputes: Substantially similar multiple claims, billing or contractual disputes, may be filed in batches as a single dispute, provided that such disputes are submitted in the following format:

- (i) Sort by Health Plan (each plan should be submitted separately)
- (ii) Sort disputes by similar issue / type
- (iii) Provide cover sheet for each batch
- (iv) Number each cover sheet
- (v) Provide a cover letter for the entire submission describing each provider dispute with references to the numbered coversheets.

- G. Time Period for Resolution and Written Determination of Contracted Provider Dispute: Valley Care will issue written determination stating the pertinent facts and explaining the reasons for its determination within forty-five (45) working days after the date of receipt of the contracted provider dispute or the amended contracted provider dispute.
- H. Past Due Payments: If the contracted provider dispute or amended contracted provider dispute involves a claim and is determined in whole or in part in favor of the provider, Valley Care will pay any outstanding monies determined to be due, and all interest and penalties required by law or regulation, within five (5) working days of the issuance of the written determination.

4. Claims Overpayments

- A. Notice of Overpayment of a Claim: If Valley Care determines that it has overpaid a claim, Valley Care will notify the provider in writing through a separate notice clearly identifying the claim, the name of the patient, the date of service(s) and a clear explanation of the basis upon which Valley Care believes the amount paid on the claim was in excess of the amount due, including interest and penalties on the claim.
- B. Contested Notice: If the provider contests Valley Care's notice of overpayment of a claim, the provider, within thirty (30) working days of the receipt of the notice of overpayment of a claim, must send written notice to Valley Care stating the basis upon which the provider believes that the claim was not overpaid. Valley Care will process the contested notice in accordance with Valley Care's contracted provider dispute resolution process described in Section 3 above.
- C. No Contest: If the provider does not contest Valley Care's notice of overpayment of a claim, the provider must reimburse Valley Care within thirty (30) working days of the provider's receipt of the notice of overpayment of a claim.
- D. Offsets to payments: Valley Care may offset an uncontested notice of overpayment of a claim against the provider's current claim submissions if the provider fails to reimburse Group within the timeframe set forth above. In the event that an overpayment of a claim or claims is offset against the provider's current claim or claims pursuant to this section, Valley Care will provide a detailed written explanation identifying the specific overpayment(s) that have been offset against the specific current claim or claims.