

Catastrophic Review

General Description

The Catastrophic Review reviews inpatient claims reimbursed by outlier payment status or percentage of charges to identify incorrect billing practices, appropriate level of care, and variation in charges from provider to provider. This review will be performed on an as-needed basis.

Objective

The purpose of the Catastrophic Review is to ensure fair and equitable utilization and billing practices are performed by all hospitals so that no hospital can improve reimbursement at the expense of other hospitals, as well as to protect the rights of our members. Blue Cross Blue Shield of North Dakota (BCBSND) is committed to ensuring that our claims database represents correct DRGs and payment amounts.

- Select claims that are reimbursed by outlier payment status or percentage of charges.
- Review the itemized bill and corresponding medical record for appropriate billing.
- Identify inconsistencies and potential billing errors, and seek clarification from the provider.

Process

1. All paid claims for the quarter are run through an edit process.
2. Claims that meet outlier status or were paid on a percentage of charges methodology are selected by a Registered Nurse for review.
3. Resources utilized for this review include the medical record, a detailed itemization of hospital charges report and InterQual Level of Care Criteria.
4. The BCBSND Medical Director, the Reimbursement staff and Medical Review and Review staff are involved in the review process.
5. When inconsistencies and potential billing errors are identified, clarification is obtained from the provider.
6. Results of review findings are provided to all facilities upon review of the claim. BCBSND provides individual case summaries and the rationale used in making the decision.
7. The providers have 45 days following this notification to request reconsiderations. The DRG Validation Review Program Reconsideration Process is available to providers and consists of two levels of reconsideration.
8. Reference the Rebilling chapter regarding resubmissions.