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# Dental Care NEWS



## 'CIW' means faster dental claim processing

In January 2000, it took BCBSM staff an average of 16.1 days to process a Michigan dental claim. Dentists were not pleased because they waited a long time for payments and Blues employees weren't satisfied because they knew they could provide better service.

In May 2001, our staff reduced the time it takes to process a dental claim to an average of 8.8 days. Employees are proud of the faster turnaround on claims, and we're sure dentists are happy to be receiving their payments faster!

What happened between January 2000 and May 2001 to decrease claims processing time by nearly 50 percent? A program called Continuous Improvement Workshop made the difference.

Introduced to BCBSM by DaimlerChrysler, CIW is a highly focused program in which BCBSM staff members take immediate action to improve a specific process. The participants' goal was to find ways to improve productivity and reduce waste, and also maintain value-added activities that provide excellent customer servicing.

Using the CIW process, a group of BCBSM dental employees worked with other BCBSM staff, as well as providers and customers, to identify their goal:

"To reduce the cycle time of dental clean claims." This workgroup then studied current department functions and recommended changes.

"Our overall goal is to provide the best service to the dentists, and we feel we've made some major strides to reach this goal," says Peggy Anthony, director of Dental/Vision/Hearing Administration.

All five units of the dental department have implemented some CIW changes. One area, Receiving and Control, conducted a thorough analysis of mail processing and now mobilizes staff from other units to help process mail on higher volume days. The implemented changes resulted in a 16 percent increase in mail processing from previous levels.

In all, CIW participants have so far implemented almost all of the 64 recommendations that came out of the workshop. Their efforts have made a difference, as the comparison on the next page proves!

"We know there is always room for improvement, so we plan to continue analyzing our work flows and implement all recommendations that will help us be the best," says Anthony.

*'CIW' continued on page 2*

OCT.  
2001

IN THIS  
ISSUE:

- CIW ..... 1
- HIPAA news..... 1
- Nonpayment code.... 2
- Newsbites..... 2
- Seminars ..... 3
- "The Tooth" ..... 4
- Correct addresses ..... 4
- Mailing list..... 4

## Start preparing now for HIPAA compliance

It's later than you think.

That might be the best way of looking at the time frame for complying with HIPAA, the Health Insurance Portability and Accountability Act of 1996. The final compliance date for transactions and code sets — October 2002 — will be here before we know it. However, BCBSM will begin its transition to standardized medical code sets early next year.

HIPAA will impact all major players in the health care system — health plans, claims clearinghouses and providers, including dentists and orthodontists. HIPAA Administrative Simplification provisions will require application of the following standards throughout the health care industry.

### Electronic transactions standardized under HIPAA

The table on the right lists seven transactions that health care providers need to be aware of. These transactions, and the numbers beside them, are assigned by the Accredited Standards Committee of the American National Standards Institute (ANSI) for electronic transactions, formally known as ASC X12N.

Number	Transaction
837	Claims and equivalent encounter information; coordination of benefits
835	Payment and remittance advice
276	Claim status request
277	Claim status response
270	Eligibility and benefit inquiry
271	Eligibility and benefit response
278	Request for referral certification and authorization, and response

*HIPAA compliance continued on page 3*

THE  
NEXT  
ISSUE:

JAN.  
2002

# 'CIW'

*continued from page 1*



Dental/Vision/Hearing team leaders are (seated, l. to r.) LaVerne Tarver, Rosemary Slaughter, and (standing, l. to r.) Orlando Maddox, Kelvin Besant and John Davis.

Meet the front-line leaders behind the CIW effort:

- **Kelvin Besant** is a team leader in the Local Dental Adjudication area. Kelvin joined BCBSM 18 months ago and is a graduate of Eastern Michigan University.
- **John Davis** recently celebrated his 10th anniversary with BCBSM. A team leader in Receiving and Control, John has a bachelor's degree from Detroit College of Business and a master's degree from Central Michigan University.
- **Orlando Maddox** is in his third year with BCBSM. Orlando is a team leader in our area that processes out-of state dental claims. He is a graduate of the University of Michigan and is currently attending the University of Phoenix.
- **Rosemary Slaughter** is in her 21st year with BCBSM. Rosemary is a team leader in the dental area's Performance Analysis Unit. She is a registered dental hygienist and graduate of the University of Michigan. She is currently enrolled at Central Michigan University and has earned certified manager designation from the Institute of Certified Professional Managers.
- **LaVerne Tarver** joined BCBSM in 1990 and has been a team leader for two years, most recently in the Dental Review Unit and the Vision/Hearing Unit. LaVerne is a graduate of Central Michigan University and is currently pursuing her master's degree in administration at CMU. ♡

Claims Processing Comparison		Pre-CIW January – August 2000	Post-CIW September 2000 – May 2001	Improvement Percentage
Average days of processing ("cycle") time	Local	16.1	8.8	45.3%
	Out-of-state	9.9	5.4	45.4%
Percentage of claims processed within 14 days	Local	70.2%	84.4%	20.2%
	Out-of-state	83.8%	93.5%	11.6%
Percentage of claims processed within 30 days	Local	91.4%	98.3%	7.5%
	Out-of-state	92.6%	98.5%	6.4%

*Editor's Note: CIW changes do not apply to processing of FEP dental claims.*

## Newsbites

- We want to thank those dental providers who returned the BCBSM survey sent to you in September. If you haven't yet responded, please complete and mail your survey today. We want to hear from you!
- BCBSM will be closed:
  - Nov. 22 and 23 (Thanksgiving)
  - Dec. 24 and 25 (Christmas)
  - Dec. 31 (New Year's Eve)
  - Jan. 1, 2002 (New Year's Day) ♡

## Explanation revised for nonpayment code 073

We've revised the explanation for nonpayment code 073 to describe rejected dental claims. Here is the code and modified explanation:

Code	Explanation
073	We can't review this claim for payment because it was not submitted to BCBSM as required for PPUR. For reconsideration, please send another claim with X-rays and appropriate documentation to BCBSM, PPUR - Mail Code B747, P.O. Box 665, 27300 W. Eleven Mile Road, Southfield, MI 48034-0665.

This explanation will also be provided for NASCO dental claims rejected with nonpayment code X432.

PPUR stands for prepayment utilization review. ♡

## HIPAA compliance continued from page 1

### Medical data code sets standardized under HIPAA

HIPAA also requires standardization of the medical code sets used in electronic transactions. They are:

Code Set	Description
ICD-9-CM (Vol. 1 and 2)	International Classification of Diseases, 9th Edition, Clinical Modification, Volumes 1 and 2
ICD-9-CM (Vol. 3)	International Classification of Diseases, 9th Edition, Clinical Modification, Volume 3 Procedures
HCPCS (Level I- CPT-4)	Current Procedural Terminology, 4th Edition
HCPCS (Level II)	Health Care Financing Administration Common Procedure Coding System, Level II - HCPCS National Codes
<b>CDT-3</b>	<b>American Dental Association Current Dental Terminology</b>
NDC	National Drug Codes

The CDT-3 codes have been in use for almost two years. Up to Jan. 1, 2001, we accepted claims with CDT-2 codes, but since then we have required dentists to submit claims for most services using CDT-3 codes.

**Effective Jan. 1, 2002, BCBSM will accept only ADA CDT-3 codes on paper and electronic claims. We will no longer accept CDT-2 codes for any service.**

Using the CDT-3 codes and submitting services on the ADA version 2000 claim will help speed up claims processing and get payments to you quicker. This also will help us test our systems before we reach the October 2002 compliance deadline.

Other HIPAA standards cover privacy, security, and national identifiers for providers, employers, health plans and individuals.

### Milestone dates

Covered entities (health plans, providers and clearinghouses) must comply with HIPAA within 26 months after the government publishes final rules for specific provisions. Compliance dates established so far:

HIPAA Provision	Compliance Date
Transactions	Oct. 2002
Code sets	Oct. 2002
Privacy	April 2003
Security	To Be Determined
Identifiers	To Be Determined

What can you do to educate yourself about HIPAA requirements and how they might affect your office or facility? A good place to start is checking whether your professional society is making educational programs available to members. There also are helpful sites on the Web:

- Department of Health and Human Services, Office of Inspector General — [www.hhs.gov/progorg/oig](http://www.hhs.gov/progorg/oig)
- Health Care Financing Administration — [www.hcfa.gov](http://www.hcfa.gov)
- U.S. Government Printing Office — [www.access.gpo.gov/su\\_docs/](http://www.access.gpo.gov/su_docs/) (a link to the online version of the Federal Register with latest legislative updates)

Watch for further information on HIPAA in future issues of *Dental Care News*. ♥

## Continuing Medical, Dental Education seminars

### Wednesday, Oct. 24

Topic: Sleep Disorders for the Non-Sleep Specialist  
 Speaker: Thomas R. Gravelyn, MD  
 Time: Registration and Hors d'oeuvres at 5:30 p.m. Program 6 to 8 p.m.  
 Fee: Free to participating providers  
 Location: BCBSM Metro Service Center Auditorium 27000 W. 11 Mile Road, Southfield  
 Registration: By phone, call the Department of Health Care Education hot line: 1-800-921-8980  
 On the Web, go to: [www.bcbsm.com/providers/cme.shtml](http://www.bcbsm.com/providers/cme.shtml)

Registration Deadline: Friday, Oct. 19

### Wednesday, Dec. 5

Topic: Alternative Medicine  
 Speaker: Rudi Ansbacher, MD, MS  
 Time: Registration and Hors d'oeuvres at 5:30 p.m. Program 6 to 8 p.m.  
 Fee: Free to participating providers  
 Location: BCBSM Metro Service Center Auditorium 27000 W. 11 Mile Road, Southfield  
 Registration: By phone, call the Department of Health Care Education hot line: 1-800-921-8980  
 On the Web, go to: [www.bcbsm.com/providers/cme.shtml](http://www.bcbsm.com/providers/cme.shtml)

Registration Deadline: Friday, Nov. 30

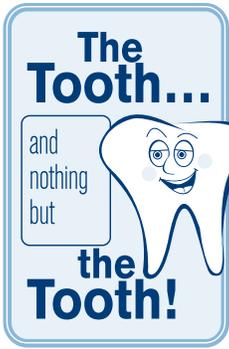
For more information about the seminars or directions, please call (313) 225-0163.

*BCBSM is approved by the Academy of General Dentistry as a provider of continuing dental education.* ♥

Questions about your patient's benefits and eligibility?



Call CAREN+ at 1-800-482-4047 for the answer!



The Tooth... and nothing but the Tooth! is our regular feature that will answer your questions on topics of interest to you.

**We received an overpayment and need to return the check to BCBSM. Where do we send it?**

You should mail the BCBSM check with the check voucher and a written explanation stating why you are returning the check to:



Financial Adjustments – **Mail Code 1008**  
Blue Cross Blue Shield of Michigan  
600 E. Lafayette Blvd.  
Detroit, MI 48226-2998

If returning the overpayment amount on a business check, please include the subscriber's contract number, the patient's name and the claim document number on the check.

Do you have a question for our newsletter? Send your questions to Dental Care News Editor Jim Matuszak by e-mail at [jmatuszak@bcbsm.com](mailto:jmatuszak@bcbsm.com) or fax at (313) 225-7709 before Nov. 15 so they may be considered for publication in the January 2002 issue. 🐦

## Here are the correct addresses for claims

You can get your dental claims off to a good start by mailing them to the correct address! Send completed claims, status inquiries and coordination of benefit claims for all members except FEP to this address:



Blue Cross Blue Shield of Michigan  
P.O. Box 49  
Detroit, MI 48231-0049

Send completed claims for FEP members to this address:



Federal Employee Program – **Mail Code 1601**  
Blue Cross Blue Shield of Michigan  
P.O. Box 2599  
Detroit, MI 48231-2599

Please do not send your claims to Mail Code 1927. They will have to be re-routed, which will delay processing. 🐦

## Inci-dental-ly...

It's easy to order the *Guide for Dental Care Providers* or be put on our mailing list for *Dental Care News*. On your office letterhead, tell us how many provider manuals or newsletters you need.

Have you moved to a new office? Just give us your name and new address, along with the old address.

Please fax this information to our database administrator at:



(313) 225-7709

Or mail it to:



Database Administrator  
Provider Communications – **Mail Code 2123**  
Blue Cross Blue Shield of Michigan  
600 E. Lafayette Blvd.  
Detroit, MI 48226-2998 🐦

PRESORTED FIRST  
CLASS MAIL  
US POSTAGE PAID  
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OF MICHIGAN

Dental Care News



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