



# **Dental Administration Audit of Delta Dental**

## ***Final Report***

**August 17, 2021**

**Prepared for  
The State Employee Health Plan  
State of Kansas**

*Submitted by:*  
Sagebrush Analytic Solutions  
4006 Belt Line Rd, Suite 175  
Addison, Texas 75001

(214) 273-4300 Main  
(214) 273-4310 Fax  
[www.eSagebrush.com](http://www.eSagebrush.com)



# Table of Contents

Executive Summary .....	1
Summary of Findings.....	2
Dental Statistical Sample Review.....	2
Focused Review Results .....	2
Statistical Claim Audit Results .....	6
Statistical Sample Selection and Testing .....	6
Sample Tests .....	6
Statistical Sample Findings.....	7
Statistical Audit Accuracy Rates .....	9
Claims Adjudication Accuracy .....	9
Financial Accuracy .....	11
Classification of Errors .....	11
Turnaround Time .....	12
Overall Observations, Findings and Recommendations.....	14
Findings and Recommendations.....	14
• Incorrect Benefit: .....	14
• Claims Paid for Ineligible Members .....	14
• Duplicate Payments .....	15
Observations .....	15
• Exceeds Frequency Limitations.....	15
• One-surface Filling vs. Two-surface Filling.....	15
• Provider Billing for Excessive Number of Patients in One Day .....	16
Conclusion .....	16
Claim Administrator Questionnaire.....	17
HIPAA .....	17
Eligibility and Enrollment.....	17
Claims Processing .....	17
Training.....	18
Customer Service .....	18
Disaster Recovery .....	18
Utilization Review and Case Management.....	19
Overpayment Recovery .....	19
Overall Conclusions: Plan Administration .....	19
Appendix: DDKS Response to Draft Report.....	27

# Tables

Table 1: Electronic Testing Summary.....	3
Table 2: Statistical Sample Stratification.....	6
Table 3: Summary of Accuracy Rates for Calendar Year 2020.....	10
Table 4: Payment and Procedural Accuracy Rates by Claim Strata for 2020.....	10
Table 5: Estimated Financial Accuracy of the Dental Claim Population for 2020.....	11
Table 6: Classification of Errors .....	11
Table 7: Error Type.....	12
Table 8: Claim Population Turnaround Time for Calendar Year 2020 .....	13
Table 9: 2020 Statistical Random Sample Errors .....	21
Table 10: Focused Testing Errors for Calendar Year 2020 .....	22

## **Executive Summary**

Sagebrush Analytic Solutions LLC (Sagebrush) was engaged by The State Employee Health Plan (SEHP), State of Kansas (SOK), to review and evaluate the dental claims processing services provided on behalf of the SEHP employee benefit plan by Delta Dental of Kansas for calendar year 2020.

SEHP directed Sagebrush to conduct an audit of the administration of the dental benefits to determine overall claims processing accuracy and efficiency, and to identify opportunities for improved administration.

In addition to conducting a statistical audit to verify administrative accuracy, Sagebrush conducted the following tests:

- Review of a sample of dental claims to the corresponding provider contracts;
- Determine the value, if any, of claims paid for ineligible participants;
- Interrogate the claims data electronically for clinical edits (procedure codes), duplicate payments and specific plan provisions and exclusions; and
- Verify the payments to providers and corresponding draw from the SEHP funds.

Due to COVID-19, Sagebrush conducted the review of claims remotely starting on April 26, 2021 and ending on April 30, 2021. During this review, the audit team tested a statistical sample of 250 dental claims for financial and processing accuracy. The claims were tested for eligibility, timeliness, payment accuracy and adherence to plan benefits and administration procedures. The sample was selected from the population of 145,601 SEHP dental claims, totaling \$23,201,559.63, processed between January 1, 2020 and December 31, 2020.

Based on Sagebrush's review of the claims data, contracts, and other documents and information provided for audit, Delta Dental administered the dental benefits within the scope of the contract with SEHP during the 2020 calendar year. The following summary provides an overview of the audit findings along with Sagebrush's observations and recommendations. The complete audit results are discussed in the body of the report.

## Summary of Findings

### Dental Statistical Sample Review

The statistical review of 250 sampled claims identified one (1) payment error. Delta Dental agreed with the error.

Considering the one (1) payment error identified in the sample, the overall financial accuracy of the claims administered by Delta Dental in 2020 is 99.91%. The performance guarantee for financial accuracy is 99.25%. The calculated payment or dollar accuracy from the audit is 99.92%. The calculated procedural accuracy is 100.00%, compared to the Delta Dental performance guarantee of 97.00%.

**Delta Dental met both the financial accuracy and processing accuracy performance guarantees for the 2020 audit period.**

### **Incorrect Benefit:**

There was one (1) claim with incorrect benefits paid. The claim resulted in a net overpayment of \$175.70.

Sample #242 – SEHP’s plan of benefits states that implant or major restoration is paid at 50% of the allowable fee for the enhanced benefit. The enhanced benefit applies if there is an exam or cleaning within 12 months of the date of service of the implant or major restoration.

This claim did not qualify for the enhanced benefit and should have paid at the lower benefit of 40% of the allowable expense.

**DDKS Response:** Processing error. DDKS completed research and discovered one other claim that processed incorrectly (2 0267 006 50) and as a result overpaid by \$176.10. *DDKS to issue a Guarantee of Service Excellence (GOSE) payment for both claims totaling \$351.80 via check to SEHP*

### Focused Review Results

In addition to the statistical claim review, Sagebrush electronically tested the claims data to identify potential duplicate claim payments, analyzed dental claim payments utilizing clinical editing software, identified participants with claim payments after coverage terminated, and tested specific benefit provisions and exclusions. The chart below is a summary of the testing that was completed.

**Table 1: Electronic Testing Summary**

Test	Description	Purpose
Frequency edits, e.g., more than 2 prophylaxes in a year.	Identify members with services that exceed the frequency limit per plan year, e.g. more than 2 prophylaxes in a year.	Ensure that Delta Dental has the plan benefits configured correctly in the claim system.
Billing more than one one-surface filling on a tooth (instead of using the code for 2 surfaces).	Identify claims where a provider billed for 2 one-surface fillings on the same tooth on the same date	Ensure Delta Dental is applying clinical editing software to the SEHP claims in accordance with Delta Dental policies and within industry norms.
Provider billed for excessive number of patients seen in one day.	Electronically identify providers that appear to have treated an excessive number of patients (more than 12) in one day.	To test for fraudulent billing activity by a provider.
Claims Paid for Ineligible Members	Electronically compare claims data to eligibility data to identify claims payments on behalf of ineligible participants	<ul style="list-style-type: none"> <li>• Verify system edits for eligibility</li> <li>• Identify opportunities to improve eligibility process for SEHP and Delta Dental</li> <li>• Identify claims to be recovered</li> </ul>
Duplicate Payments	Electronically test claims data for duplicate payments for the same service for the same participant	<ul style="list-style-type: none"> <li>• Verify system edits for duplicates</li> <li>• Identify claims to be recovered</li> </ul>

Sagebrush reviewed the electronic results and provided Delta Dental with a file of 50 potentially erroneous claims. Delta Dental reviewed the claims and provided a response with additional documentation to support each position.

***Exceeds Frequency Limitations***

Sagebrush electronically tested the paid claims data to identify any members that had more than two (2) dental cleanings or periodontal maintenance services in the plan year. There were eight (8) claims included in the file of 50 claims sent to Delta Dental, with a potential net overpayment of \$752.99.

- Of the eight (8) claims, Delta Dental disagreed with five (5) stating “through DDKS' plan year closing process procedural checks were conducted any deviations from policy discovered were evaluated and where necessary adjustments/refunds were completed according to evaluation. Therefore, a refund was requested from the provider on 1/13/2021. \$452.99 has been previously recovered.”

- Delta Dental disagreed with (2) claims with a total paid amount of \$232.00 stating “per SOK exception, this member is allowed cleanings every 3 months because of health conditions.”
- Delta Dental agreed with one (1) claim with a paid amount of \$68.00 which was submitted as a child prophylaxis in error. Delta Dental has agreed to request a refund from the provider for the total claim payment of \$223.00.

### *One-surface Filling vs. Two-surface Filling*

Sagebrush identified twelve (12) claims in our review where it appeared that the provider had billed for more than one one-surface filling for the same tooth on the same date of service.

Delta Dental policy states that the buccal or lingual surface is considered a separate restoration when submitted as a one surface filling when it does not connect to the other filling being completed on the same day. When the Client contract is silent, DDKS follows Delta Dental Plans Association processing policy which states "A separate benefit may be allowed for a non-contiguous restoration on the buccal or lingual surface of the same tooth."

According to the Delta Dental policy, there are no exceptions for multiple one-surface fillings.

### *Provider Billing for Excessive Patients Seen in One Day*

Sagebrush tested the paid claims data to identify possible provider fraud where the provider appeared to have treated an excessive number of patients in one day.

Based on our review, we did not identify any instances of provider billing fraud. A Dental Hygienist usually sees the patients for cleanings, while the services, such as fillings, root canals, etc. are performed by the Dentist.

### *Claims Paid for Ineligible Members*

Sagebrush ran the eligibility file that we received from the State of Kansas against the paid claims data provided by Delta Dental to identify claims paid for members that were no longer eligible for coverage. Sagebrush included fifteen (15) members with paid claims totaling \$3,949.27 in the 50 potential exceptions sent to Delta Dental resulting from electronic focused testing.

- DDKS agreed with seven (7) of the members with an overpaid amount of \$3008.07, of which \$2,193.57 has been previously credited on the State’s Group Patient Payment Report as an adjustment. The other \$814.50 will be included in a check request being processed to SEHP.

- One (1) member with claims totaling \$279.80 was previously covered under his wife but now has his own policy. These claims appeared to have been paid prior to the effective date of coverage.
- Delta Dental disagreed with four (4) members with claims totaling \$1,044.90 stating that they had active coverage. Two (2) of the members were not on the eligibility file received from the SOK. The other two (2) were terminated in the dental system on the same date as the service.
- One claim in the amount of \$123.00 was previously recovered during the audit period.
- Delta Dental disagreed with two (2) members with claims totaling \$308.00 stating that the electronic eligibility files received from the SOK never indicated a termination date for these members. Since the member was not present on the open enrollment file received in December, coverage was terminated effective 1/1/2021; the start of the new plan year.

Sagebrush believes the member should have been terminated effective 12-1-2020, since they were not shown on the open enrollment file in December.

### *Duplicate Payments*

Duplicate payments - Sagebrush's review of the potential duplicate payments identified fifteen (15) possible errors resulting in an overpaid amount of \$1,888.30.

- Delta Dental agreed to five (5) of the errors totaling \$1,153.00.
- Delta Dental disagreed with four (4) of the claims, totaling \$359.60 as the overpayment had been previously recovered during the audit period.
- Five (5) claims were previously identified as overpayments by Delta Dental and the net overpayment of \$315.20 has been requested from the providers of service. Once the money is returned, the SOK account will be credited for the overpaid amount.
- Delta Dental disagreed with one (1) claim, totaling \$60.50, stating an appeal was received with additional documentation. A consultant reviewed the documentation and approved the additional unit of anesthesia because of necessity.



**Statistical Claim Audit Results**

**Statistical Sample Selection and Testing**

Sagebrush used a stratified random sampling technique to select the dental statistical sample. This technique was selected because it permits the financial results to be extrapolated to the entire population of claims with statistical significance. The estimated sample size for the overall sample was intended to achieve a 95.00% confidence level with a 3% precision if the payment error rate was 5%. The actual precision rate varies based on the tested error rate.

Using a stratified sampling technique for the plan year, the claims were selected randomly within each of five payment bands listed below. The strata were selected using an optimal allocation formula that takes into account the actual distribution of the population sampled.

**Table 2: Statistical Sample Stratification**

Strata Number	Payment Range	
1	\$0.00	\$114.99
2	\$115.00	\$156.99
3	\$157.00	\$205.99
4	\$206.00	\$539.99
5	\$540.00	+

A sample of 250 dental claims totaling \$77,145.39 in benefits paid was selected from a population of 145,601 claims paid at \$23,201,559.63 for claims processed during the period of January 1, 2020 through December 31, 2020. The sample was selected from the claim data files provided by Delta Dental.

**Sample Tests**

Each claim in the selected sample was tested for payment and coding accuracy, adherence to plan benefits, administration procedures, and timeliness. Each claim was tested (“re-adjudicated”) on the Delta Dental claim adjudication system, for financial and procedural accuracy. Claims were compared to system information, original claim documentation (imaged and electronic), plan provisions and written Delta Dental policies and procedures. The following elements were tested for each claim:

- If paper, was the submission an unaltered original? Did it contain all required information to process the claim?
- Was the claimant eligible for dental benefits on the date(s) of service?
- Was the claim submitted within the specified time as defined by the plan?
- Were managed care discounts and contractual provisions applied correctly?

- Were the procedures covered, billed and paid, and were the procedures medically necessary and appropriate according to Delta Dental medical review?
- Were claims for multiple procedures, unbundled services, and experimental prescription drugs/services submitted to the appropriate levels for review and adjudicated correctly?
- Were benefit coordination and subrogation accurately determined if the claimant had other coverage available?
- Did the correct claimant or assignee receive payment?
- Did the claim contain all required information and was it coded properly in the claim processing system?
- Were benefits applied in accordance with plan requirements?
- Were the mathematical computations and the application of co-payments, out-of-pocket limits, and deductibles accurate?
- Were allowable charge limitations of the plan correctly applied?
- Were the preauthorization, second surgical opinion and ambulatory procedures followed and documented when appropriate?
- Was the claim paid only once?
- Did claim payment response time meet contractual provisions and generally accepted industry standards?
- Was the payment disbursed for the correct account?
- Was the claimant within his or her maximum number of visits or services? Within frequency limits?
- Was treatment appropriate?

### **Statistical Sample Findings**

The statistical sample review identified one (1) payment error, resulting in a net overpayment amount of \$175.50. Delta Dental agreed with the error.

- The stratified random sampling method permits projection of the audited financial accuracy rate to the entire population. The auditor's ability to statistically project the audit findings in this manner depends on the sampling technique used.
- The tested gross financial error in the dental population is \$175.70. Based on the distribution of the one financial error identified in the statistical sample, Sagebrush's best estimate of the total absolute financial (dollar) error in the population is \$19,966.55 in the paid claim population of \$23,201,559.63. The projected gross financial (dollar) accuracy within the dental claim population is 99.91%. The standard commonly found in the industry for financial accuracy is 99.00%. The performance guarantee between Delta Dental and SEHP for financial accuracy is 99.25%.
- Based on the distribution of the one payment error identified in the statistical sample, the projected payment accuracy or dollar accuracy of the dental claim population is 99.92%. Payment accuracy refers to the incidence of correct claim payments. The common industry

standard for this measure is 95.00% - 97.00%. There is no performance guarantee between Delta Dental and SEHP for payment accuracy.

- There were no procedural (non-payment) errors identified in the sample. Based on this result, the projected procedural accuracy of the claim population is 100.00%. The common industry standard for this measure is 95.00%. The performance guarantee between Delta Dental and SEHP for processing accuracy is 97.00%.

### Definition of Accuracy Measures

All claims were tested for accuracy in three areas:

- Financial Accuracy
- Payment Accuracy
- Procedural (non-payment) Accuracy

Descriptions of the accuracy measures are outlined below. Sagebrush’s experience has shown that these measures are commonly found within the industry.

Since the tested statistical sample was selected using stratification, the mathematical formulas described below for payment and procedural (non-payment) accuracy are first applied to each stratum. Then a composite rate is developed for the dental population by weighting each stratum based on the relative proportion of the given population stratum to the total population.

Summing the projected absolute dollar error for each claim stratum and comparing the result to the total paid dollars in the population derive the estimated financial accuracy for the dental claim population. The projected absolute dollar error is based on the average tested dollar error times the number of claims in each stratum.

The sample items were tested for accuracy using the following accuracy measures and formulas:

$$\text{Financial Accuracy} = 1 - \frac{\text{Total Projected Absolute Dollar Error for all Claim Strata}}{\text{Total Population Dollars Paid}}$$

For purposes of a claim administration audit, financial accuracy reflects the financial implication of payment errors identified in the audit. The standard commonly found in the industry for financial accuracy is 99.00%.

$$\text{Payment Accuracy} = \frac{\text{Number of Claims Paid Correctly}}{\text{Number of Claims Paid}}$$

Payment accuracy reflects the percentage of claims that result in the correct payment of benefits. The common industry standard for this measure is 95.00% - 97.00%.

$$\text{Procedural Accuracy} = \frac{\text{Number of Claims without Procedural Errors}}{\text{Number of Claims Paid}}$$

Procedural accuracy reflects the percentage of claims that do not contain coding, data entry, or other errors not resulting in the incorrect payment of the claim. The common industry standard for this measure is 95.00%.

While procedural errors do not directly have a financial impact, they are noteworthy because procedural errors often lead to future payment errors. An example is when a procedure code on a given claim is keyed incorrectly. A subsequent duplicate payment could occur since the examiner or system logic will not be able to identify the duplicate procedure.

## **Statistical Audit Accuracy Rates**

### **Claims Adjudication Accuracy**

In claims with more than one error, one error per claim was counted. If a claim had a financial and procedural error, Sagebrush counted the financial error. Each identified potential error or question was submitted to Delta Dental in writing for review and written response.

A total of one (1) payment error was assessed. Delta Dental agreed with the error. The results of the claim testing are outlined in the following tables.

Table 3 provides a summary of the audited accuracy rates, along with Delta Dental internal targets and commonly seen industry standards.

Table 4 shows the payment and procedural accuracy rates by statistical claim stratum. Composite accuracy rates are derived by weighting the tested error rate for each claim stratum based on the relative proportion of the given population stratum to the total population. The composite rates are included in Table 1.

Table 5 shows the estimated financial accuracy of the dental claim population. Totaling the projected absolute dollar error for each claim stratum and comparing the result to the total paid dollars in the population derive the estimated financial accuracy for the claim population. The projected absolute dollar error is based on the average tested gross dollar error times the number of claims in each stratum.

**Table 3: Summary of Accuracy Rates for Calendar Year 2020**

Measure	Claim Accuracy	Delta Dental Performance Guarantees	Common Industry Standards
Financial Accuracy	99.91%	99.25%	99.00%
Payment Accuracy	99.92%	98.00%	95.00% - 97.00%
Procedural Accuracy	100.00%	97.00%	95.00%

**Table 4: Payment and Procedural Accuracy Rates by Claim Strata for 2020**

Claim Strata	# of Claims	Sample Size	# Pmt. Errors	Payment Accuracy	# Proc. Errors	Procedural Accuracy
\$0 - \$114.99	67,674	50	0	100.0%	0	100.0%
\$115.00 - \$156.99	28,867	50	0	100.0%	0	100.0%
\$157.00 - \$205.99	28,285	50	0	100.0%	0	100.0%
\$206.00 - \$539.99	15,093	50	0	100.0%	0	100.0%
\$540.00 +	5,682	50	1	98.0%	0	100.0%
<b>Total/Weighted</b>	<b>145,601</b>	<b>250</b>	<b>1</b>	<b>99.92%</b>	<b>0</b>	<b>100.0%</b>

**Table 5: Estimated Financial Accuracy of the Dental Claim Population for 2020**

<b>Claim Strata</b>	<b>Sample Absolute \$ Error</b>	<b>Sample Size</b>	<b>Avg. \$ Error</b>	<b># of Claims</b>	<b>Projected Absolute \$ Error</b>	<b>Paid Population</b>	<b>Financial Accuracy</b>
\$0 - \$114.99	\$0.00	50	\$0.00	67,674	\$0.000	\$4,563,936.58	100.00%
\$115.00 - \$156.99	\$0.00	50	\$0.00	28,867	\$0.000	\$3,902,276.24	100.00%
\$157.00 – \$205.99	\$0.00	50	\$0.00	28,285	\$0.000	\$4,909,576.91	100.00%
\$206.00 – \$539.99	\$0.00	50	\$0.00	15,093	\$0.000	\$4,880,665.77	100.00%
\$540.00 +	\$175.70	50	\$3.51	5,682	\$19,966.55	\$4,945,104.13	99.60%
<b>Total/ Weighted</b>	<b>\$175.70</b>	<b>250</b>	<b>\$3.51</b>	<b>145,601</b>	<b>\$19,966.55</b>	<b>\$23,201,559.63</b>	<b>99.91%</b>

**Financial Accuracy**

The tested gross financial error in the dental claim population processed in 2020 is \$175.70. Based on the distribution of the one (1) financial error identified in the statistical sample, Sagebrush’s best estimate of the total absolute financial (dollar) error in the population is \$19,966.55, in the paid claim population of \$23,201,559.63. The projected gross financial (dollar) accuracy within the dental claim population is 99.91%. The standard commonly found in the industry for financial accuracy is 99.00%. The performance guarantee between Delta Dental and SEHP for financial accuracy is 99.25%.

**Classification of Errors**

The following tables provide a breakdown of the errors identified in the audited samples.

**Table 6: Classification of Errors**

<b>Error Classification</b>	<b># of Errors</b>	<b>\$ Error</b>
Overpayments	1	\$175.70
Underpayments	0	(\$0.00)
Non-Payment	0	\$0.00
Total/Net Error	1	\$175.70

**Table 7: Error Type**

<b>Error Type</b>	<b># of Errors</b>	<b>% of Total</b>	<b>Absolute \$ Error</b>	<b>% of Total \$</b>
Incorrect Benefit	1	100.00%	\$19,966.65	100.00%
Total	1	100.00%	\$19,966.65	100.00%

The statistical sample review identified one (1) error with incorrect benefits paid. The claim resulted in a net overpayment of \$175.70.

Sample #242 – SEHP’s plan of benefits states that implant or major restoration is paid at 50% of the allowable for the enhanced benefit. The enhanced benefit applies if there is an exam or cleaning within 12 months of the date of service of the implant or major restoration.

This claim did not qualify for the enhanced benefit and should have paid at the lower benefit of 40% of the allowable expense.

**Turnaround Time**

Turnaround time (TAT) is defined as the total number of days needed to process a claim. The calculation covers the period from the day the claim is received to the day the claim payment is processed, suspended, or denied.

Turnaround time is significant from several perspectives. Claims that do not receive prompt consideration when they are submitted can potentially cause participant and provider relation difficulties. Secondly, when claim adjudication does not occur promptly, claims are re-submitted by claimants and providers, increasing claim volume as well as the probability that duplicate claim payments will occur. In addition, delays in processing claims can have an adverse impact on Incurred but Not Reported (IBNR) claims calculations, experience rating and projected loss ratios.

Most claim administrators strive to process 85.00% - 90.00% of all claims within 14 calendar days and 99.00% within 30 calendar days. The reported Delta Dental office target for TAT is 90.00% of all clean claims within 10 business days, excluding adjustments and 95.00% within 30 business days. The performance guarantee between Delta Dental and SEHP is to process 95.00% of all claims within fourteen (14) business days and 95.00% of all claims within thirty (30) business days, with an amount of \$500.00 at risk, per quarter, if this metric is not met.

The following table represents the TAT statistics for the Delta Dental claim population for claims incurred and processed during the period January 1, 2020 through December 31, 2020.

**Table 8: Claim Population Turnaround Time for Calendar Year 2020**

<b>Business Days</b>	<b>Number of Claims</b>	<b>Percentage of Population</b>	<b>Cumulative Calendar Days</b>	<b>Cumulative Number of Claims</b>
0 - 10 days	139,530	95.8%	139,530	95.8%
11 - 14 days	3,582	2.5%	143,112	98.3%
15 - 30 days	1,793	1.2%	144,905	99.5%
> 30 days	696	0.5%	145,601	100.0%
<b>Total</b>	<b>145,601</b>	<b>100%</b>		

The analysis indicates that Delta Dental processed 95.8% of all claims within 14 business days of receipt and 99.5% of claims within thirty (30) days. The calculation is based on business days, Monday through Friday. Sagebrush did not remove any holidays.

Our analysis shows that Delta Dental met both the performance guarantee of 95.00% of all claims within fourteen (14) business days and the performance guarantee of 99.00% of claims within thirty (30) business days.



## Overall Observations, Findings and Resolutions

### Findings and Resolutions

The project results indicate that Delta Dental’s performance relative to claims accuracy and timeliness and operational efficiency is within acceptable standards and guidelines. Sagebrush’s overall conclusion based on the results of the claim reviews, the observations during the onsite review and the analysis of the administrative questionnaire is that Delta Dental claims operations appear to be appropriate and efficient.

The following information provides a summary of Sagebrush’s general observations and recommendations relative to the claims and operational review and electronic testing. Additional information is provided in the corresponding sections of this report.

- **Incorrect Benefit:**

There was one (1) claim with incorrect benefits paid. The claim resulted in a net overpayment of \$175.70.

Sample #242 – SEHP’s plan of benefits states that implant or major restoration is paid at 50% of the allowable for the enhanced benefit. The enhanced benefit applies if there is an exam or cleaning within 12 months of the date of service of the implant or major restoration.

This claim did not qualify for the enhanced benefit and should have paid at the lower benefit of 40% of the allowable expense.

**Resolution:** *Delta Dental will adjust the claim to reflect the proper payment and request the overpaid amount from the provider. Additional processor training will be needed.*

- **Claims Paid for Ineligible Members**

Sagebrush ran the eligibility file that we received from the State of Kansas against the paid claims data provided by Delta Dental to identify claims paid for members that were no longer eligible for coverage. Sagebrush included fifteen (15) members with paid claims totaling \$3,949.27 in the 50 electronic testing sample sent to Delta Dental.

- DDKS agreed with seven (7) of the members with an overpaid amount of \$3008.07, of which \$2,193.57 has been previously credited on the State’s Group Patient Payment Report as an adjustment. The other \$814.50 will be included in a check request being processed to SEHP.
- Delta Dental disagreed with two (2) members with claims totaling \$308.00 stating that the electronic eligibility files received from the SOK never indicated a termination date for these members. Since the member was not present on the open enrollment file received in December, coverage was terminated effective 1/1/2021; the start of the new plan year.

Sagebrush believes the member should have been terminated effective 12-1-2020, since they were not shown on the open enrollment file in December.

**Resolution:** Delta Dental input the incorrect termination date of the two (2) members that were not included on the December open enrollment file. Since they were not on the December file, we feel that the correct termination date should have been 12-1-2020. Delta Dental will update the system to reflect the correct termination date and recover the \$308.00 that was paid on these claims.

Sagebrush believes there was a miscommunication issue with the termination dates being sent to Delta Dental on the electronic eligibility files. For example, a file sent to Delta Dental dated 10-6-2020 included a member that was listed with a termination date effective 10-1-2020. SEHP meant that the member's last day of coverage was 9-30-2020 and that the member was terminated effective 10-1-2020. Delta Dental interpreted the date on the file to be the termination date, which gave the member coverage until 11:59 pm on 10-1-2020.

On August 8, 2021, Delta Dental added logic to subtract one day from the termination date sent over on the eligibility files in order to reflect the same final date of coverage as intended by SEHP. Overall, SEHP and Delta Dental have a good process in place for keeping eligibility updated.

### **Duplicate Payments**

Duplicate payments - Sagebrush's review of the potential duplicate payments identified fifteen (15) possible errors resulting in an overpaid amount of \$1,888.30.

- Delta Dental agreed to five (5) of the errors totaling \$1,153.00.

**Recommendation:** Delta Dental should have system edits in place to flag claims from the same provider with the same date of service as potential duplicates. Additional processor training may also be required.

### **Observations**

- **Exceeds Frequency Limitations**

Sagebrush electronically tested the paid claims data to identify any members that had more than two (2) dental cleanings or periodontal maintenance services in the plan year.

Delta Dental agreed with one (1) claim with a paid amount of \$68.00 which was submitted as a child prophylaxis in error and has agreed to request a refund from the provider for the total claim payment of \$223.00.

- **One-surface Filling vs. Two-surface Filling**

Sagebrush identified twelve (12) claims in our review where it appeared that the provider had billed for more than one one-surface filling for the same tooth on the same date of service.

Delta Dental policy states that the buccal or lingual surface is considered a separate restoration

when submitted as a one surface filling when it does not connect to the other filling being completed on the same day. When the Client contract is silent, DDKS follows Delta Dental Plans Association processing policy which states "A separate benefit may be allowed for a non-contiguous restoration on the buccal or lingual surface of the same tooth."

**Observation:** With the few results that Sagebrush identified in our electronic testing, along with Delta Dental's internal policy regarding a surface filling on a tooth that does not connect to the other filling being completed on the same day, these claims are being processed correctly according to the Delta Dental policy.

- **Provider Billing for Excessive Number of Patients in One Day**

Sagebrush tested the paid claims data to identify possible provider fraud where the provider appeared to have treated an excessive number of patients in one day.

Based on our review, we did not identify any instances of provider billing fraud. A Dental Hygienist usually sees the patients for cleanings, while the services, such as fillings, root canals, etc. are performed by the Dentist.

## **Conclusion**

Delta Dental reviewed potential exceptions with a total paid amount of \$8,492.16. Of this amount, \$3,554.66 has been previously credited on the State's Group Patient Payment Report and \$2,249.80 will be paid via check to SEHP.

Delta dental disagreed with the findings for \$3,669.66. Delta Dental will not recover payment on claims for which they disagree to an error. Although, a claim for \$115.00 was refunded and will be credited on the State's Group Patient Payment report.

## **Claim Administrator Questionnaire**

Sagebrush asked Delta Dental to complete an Operational Questionnaire. The administrative questionnaire addresses issues such as system capabilities, claim adjudication procedures, member services, mail processing, quality assurance, training and staffing.

The following information is from the Operational Questionnaire. When possible, Sagebrush confirmed or identified conflicts with policies and procedures reported in the Questionnaire through the audit testing. Sagebrush's observations are noted in italics below.

### **HIPAA**

Delta Dental is committed to protecting the customer's privacy and confidentiality in accordance with HIPAA Privacy regulations and has undergone a HIPAA Risk Analysis with Modern Compliance Solutions. Modern Compliance Solutions assessments are designed to occur along an incremental path towards compliance and an ongoing Risk Management process. Organizations can actively move along the HIPAA and HITECH compliance path in a measured way, while realizing at an early stage the benefits of a common means to assess security controls and communicate compliance.

### **Eligibility and Enrollment**

Delta Dental receives electronic eligibility files from SEHP. The file is a full population file. Eligibility is stored in the system, AS400.

Coordination of Benefits (COB) information is not included in the electronic file. COB information, when provided, is manually entered into AS400 and stored in the member's record.

*During the audit, Sagebrush reviewed the COB information screen in the Member's eligibility record, if any, for each sampled claim. Sagebrush also compared the COB information submitted with the claim form, if any, to the COB information collected in Delta Dental's systems. No exceptions were found.*

### **Claims Processing**

The claim system was implemented in 1986 and last updated in 2019.

*Due to COVID19, Sagebrush conducted the audit remotely, using system screen prints of how the claim was adjudicated through the system. Based on our review, the system appears to be sufficient as evidenced by the audit findings of the sampled claims.*

*Sagebrush tested the claims data file for duplicates and clinical logic, including bundling. The small number of duplicate claims and absence of clinical logic errors identified through the Ad Hoc testing (Table 7 of this report) indicates that Delta Dental has adequate system edits in place to identify duplicates and apply clinical edits.*

Delta Dental the auto-adjudication rate for SEHP claims is 72.5%. *Sagebrush notes that these quoted statistics are consistent with Sagebrush's observations during the audit review.*

### **Training**

Each employee goes through a 6-12-week training program depending on the position. Delta Dental has a dedicated training specialist that will complete the training for all new Customer Service, Claims Processing and Quality Assurance employees.

### **Customer Service**

Delta Dental has a service unit separate from claims processing to handle member service phone calls. The average call wait time was 7 seconds for calendar year 2020. The average on line time with a customer service representative is 4.27 minutes.

Customer service representatives have access to all claim history for members – processed and pending claims.

Customer service representatives take, on average, 50-85 calls per day during non-peak season and 75-125 per day during peak season.

### **Disaster Recovery**

Delta Dental has an extensive business continuity plan. When needed the recovery team is activated to organize all resources of the company to ensure that critical business operations, communications, processes, systems and data are quickly restored during a disruption and normal business operations are resumed as soon as possible. Each management employee and member of the Board of the Directors maintains a copy of this plan at his or her home. In addition, copies of this plan are stored at Intrust Bank (105 N. Main, Wichita, KS 67202) and the Wichita and Leawood offices. At the time of a disaster, the Delta Dental team will be activated to organize all resources of the company to ensure that critical business operations, communications, processes, systems and data are quickly restored. They will establish a secondary location and immediately begin restoring the operating system and data to mirror the original site within hours. The goal is to have the backup site operating as quickly as possible with staff relocated as necessary to quickly restore critical business operations within hours and resume normal operations as soon as possible. If a disaster or major business disruption substantially impairs the day-to-day business operations of DDKS Corporate Headquarters, critical business functions will be restored in 5 – 7 days. Within 48 hours of being notified that a disaster or disruption has occurred, disaster recovery phone systems will be operational. Activities surrounding the disaster recovery plan are tested on an annual basis. Delta Dental's continuity of operations plan is updated on an annual basis.

**Utilization Review and Case Management**

The purpose of the UM program is to make certain that all plan members receive quality dental care within the scope of each individual program. This includes adequate access to dental providers who are fully credentialed and/or board-certified or board eligible; dental care that is provided in a clean, safe and culturally appropriate setting; and timely delivery of services.

The Delta Dental Entrust Director is responsible for design and oversight of the UM program as well as ongoing UM program monitoring and the establishment of UM program policies and procedures.

The Utilization Management Committee monitors provisions of care, identifies problems, and recommends corrective action, in order to improve health care outcomes and quality of service.

Utilization Management (“UM”) criteria are used to conduct prospective and retrospective review of dental health services. These criteria are the basis for the provision of guidance and education to participating providers to promote efficient utilization of resources in the delivery of dental health services. Contracted dental providers are responsible for complying with all Delta Dental UM policies and procedures in accordance with their Provider Agreement.

**Overpayment Recovery**

Claim payments for subscribers seeing non-participating providers are made to the subscriber. Therefore, refund requests for services rendered by non-participating providers are submitted to the subscriber and not the non-participating provider. Up to two written requests for refund are mailed, 30 days apart. Payments made in response to a refund request are backed out of the claim, resulting in a credit to the group. If payment of the refund request is not made then the refund request is turned over to collections.

Claim payments for subscribers choosing a participating provider are made to the provider. Therefore, refund requests for services rendered by participating providers are submitted to the provider. One refund letter is mailed. Providers have the option of making a direct payment to Delta Dental of Kansas by check or allowing the claim to go into our auto-deduction process, which deducts the refund from a future payment due to the provider. Once a claim is auto-deducted the refund will be reported on the Group Patient Pay as a credit to the group and the member’s benefits.

**Overall Conclusions: Plan Administration**

*Sagebrush’s review of the Delta Dental systems encompassed the remote on-line testing of each claim in the statistical sample. The on-line testing consisted of “re-adjudicating” each of the claims sampled, just as a Delta Dental examiner would have paid the claim using the Delta Dental system screen prints provided. The auditors’ review did not include the application of Delta Dental systems to functions beyond the scope of claims processing, such as member services, utilization management or general financial functions.*

*Based on the responses provided in the questionnaire, Sagebrush's understanding of Delta Dental operations, and the testing of claims in the statistical claim audit, Sagebrush concludes that Delta Dental has appropriate and adequate guidelines and processes for each of the areas discussed above.*

**Table 9: 2020 Statistical Random Sample Errors**

<b>Sample #</b>	<b>Payment</b>	<b>Correct Payment</b>	<b>Payment Error</b>	<b>Financial Error (Y/N)</b>	<b>Error Description</b>	<b>Status</b>
242	\$878.50	\$702.80	\$175.70	Y	Claim paid per the enhanced benefit of 50% of the allowable in error.	Agree



**Table 10: Focused Testing Errors for Calendar Year 2020**

Item Number	Amount Overpaid	Reason for Overpayment	Delta Dental Response
7	\$223.00	Processor Error - The 2nd cleaning was submitted as a child prophylaxis 1120 and processor did not verify this code when checking for history. The money has previously been credited to the State's Group Patient Payment Report as an adjustment.	Agree - Processing error. A refund was requested from the provider and has been returned. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
22	\$59.50	Data entry error. Quadrants were updated but refund was not requested at that time. Refund has been requested in the amount of \$59.50 and once the monies are returned the client's account will be credited for the overpayment.	Agree - Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and was returned on 6/9/2021. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
28	\$55.00	This claim processed at the basic level which is incorrect. Refund has been requested in the amount of \$135.00 and once the monies are returned the client's account will be credited for the overpayment.	Agree - Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and has not been returned. <i>This amount of \$135.00 will be included in a check request being processed.</i>
29	\$380.00	Processor override error. Claim should have been denied as duplicate claim. Refund has been requested in the amount of \$380.00 and once the monies are returned the client's account will be credited for the overpayment.	Agree - Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and was returned on 6/9/2021. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>

Item Number	Amount Overpaid	Reason for Overpayment	Delta Dental Response
31	\$406.50	Processor override error. Claim should have been denied as duplicate claim. Refund has been requested in the amount of \$406.50 and once the monies are returned the client's account will be credited for the overpayment.	Agree - Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and has not been returned. A refund has been requested and has not been returned. <i>This amount of \$406.50 will be included in a check request being processed.</i>
35	\$172.00	Processor override error. Procedure should have been denied as a duplicate. Refund has been requested in the amount of \$172.00 and once the monies are returned the client's account will be credited for the overpayment.	Agree - Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and has not been returned. <i>This provider no longer practices in Kansas, no chance for repayment. DDKS to issue a Guarantee of Service Excellence (GOSE) payment for claim totaling \$172.00.</i>
39	\$1,026.75	Claims paid after termination date	Agree - Refunds were not requested after termination date was received; therefore, these two claims are considered processing errors. Refunds were requested from the provider and have been returned for both claims. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>

Item Number	Amount Overpaid	Reason for Overpayment	Delta Dental Response
42	\$124.82	Claims paid after termination date	Agree - Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund was requested from the provider and has been returned. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>
43	\$160.00	Claims paid after termination date	Agree - Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund was requested from the provider and has been returned. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>
45	\$386.00	Claims paid after termination date	Agree - Refunds were not requested after termination dates were received; therefore, the four claims are considered processing errors. The refunds were requested from the provider and have been returned. <i>The amounts received was previously credited on the State's Group Patient Payment Report as adjustment.</i>

Item Number	Amount Overpaid	Reason for Overpayment	Delta Dental Response
46	\$195.00	Claims paid after termination date	Agree - Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund was requested from the provider and has been returned. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>
47	\$143.00	Claims paid after termination date	Agree - Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund was requested from the provider and has been returned. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>
49	\$656.50	Claims paid after termination date	Agree - The file received by Sagebrush did not have this member active. <b>State of Kansas response:</b> "This member termed coverage 8/9/2018. Term was sent on the 7/25/2018." <b>DDKS Response:</b> Reviewed archive file from 7/25/2018 and termination was provided, and record errored during processing. <i>DDKS to issue a Guarantee of Service Excellence (GOSE) payment for two claims (DOS 6/9/20 and 9/15/20) totaling \$656.50.</i>

<b>Item Number</b>	<b>Amount Overpaid</b>	<b>Reason for Overpayment</b>	<b>Delta Dental Response</b>
<b>50</b>	\$158.00	Claims paid after termination date	Agree - Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund has been requested and has not been returned. <i>This amount of \$158.00 will be included in a check request being processed.</i>

## **Appendix: DDKS Response to Draft Report**

State of Kansas – Delta Dental of Kansas 2021 Audit  
July 2021

Item/Sample #	Category	DDKS Original Response to Sagebrush	Total Amount for Category	Notes
242	Incorrect Benefit	Agree	\$175.70	Processing error. DDKS completed research and discovered one other claim that processed incorrectly (2 0267 006 50) and as a result overpaid by \$176.10. <i>DDKS to issue a Guarantee of Service Excellence (GOSE) payment for both claims totaling \$351.80 via check to SEHP.</i>
1, 2, 3, 6, 8	Exceeds Frequency Limitations	Disagree	\$452.99	Through DDKS' plan year closing process procedural checks were conducted and deviations from policy discovered were evaluated and where necessary adjustments/refunds were completed according to evaluation. Therefore, refunds were previously requested from the providers and have been returned. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
4, 5	Exceeds Frequency Limitations	Disagree	\$232.00	DDKS has an email on file from Account Executive in 2015 indicating that the State approves additional cleanings for this member due to health reasons (cancer).
7	Exceeds Frequency Limitations	Agree	\$68.00 but should be \$223.00	Processing error. A refund was requested from the provider and has been returned. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20	One (1) Surface Filling vs. Two (2) Surface Filling	Disagree	\$1,304.00	Ita Dental policy states that the buccal or lingual surface is considered a separate restoration when submitted as a one surface filling when it does not connect to the other filling being completed on the same day. When the client contract is silent, DDKS follows Delta Dental Plans Association processing policy which states "A separate benefit may be allowed for non-contiguous restoration on the buccal or lingual surface of the same tooth."
39	Claims Paid for Ineligible Members	Agree	\$1,026.75	Refunds were not requested after termination date was received; therefore, these two claims are considered processing errors. Refunds were requested from the provider and have been returned for both claims. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>
42	Claims Paid for Ineligible Members	Agree	\$124.82	Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund was requested from the provider and has been returned. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>

## DDKS Response to Draft Report

43	Claims Paid for Ineligible Members	Agree	\$160.00	Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund was requested from the provider and has been returned. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>
45	Claims Paid for Ineligible Members	Agree	\$386.00	Refunds were not requested after termination dates were received; therefore, the four claims are considered processing errors. The refunds were requested from the provider and have been returned. <i>The amounts received was previously credited on the State's Group Patient Payment Report as adjustment.</i>
46	Claims Paid for Ineligible Members	Agree	\$195.00	Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund was requested from the provider and has been returned. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>
47	Claims Paid for Ineligible Members	Agree	\$143.00	Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund was requested from the provider and has been returned. <i>The amount received was previously credited on the State's Group Patient Payment Report as adjustment.</i>
50	Claims Paid for Ineligible Members	Agree	\$158.00	Refund was not requested after termination date was received; therefore, this is considered a processing error. A refund has been requested and has not been returned. <i>This amount of \$158.00 will be included in a check request being processed.</i>
38	Claims Paid for Ineligible Members	Disagree	\$279.80	Subscriber was previously covered under his wife's SOK plan from 6/1/2015 – 7/1/2020. He is now active under his own policy effective 7/1/2020. All claims were moved under his plan. <b>State of Kansas response:</b> "William listed as a spouse effective 1/1/2020 on OE files then listed as an EE effective 7/1/2020 on the 7/10/2020 file." <i>DDKS Response: State of Kansas agrees with DDKS that eligibility was processed correctly.</i>
36	Claims Paid for Ineligible Members	Disagree	\$158.40	<b>State of Kansas response:</b> "This person went on the 10/6/2020 file with a term effective date of 10/1/2020, which would make the last day on coverage 9/30/2020." <i>DDKS Response: Delta Dental of Kansas Eligibility allows coverage through midnight of the termination date provided. So, for a termination date of 10/1/2020 the member would be eligible until 11:59 PM on 10/1. DDKS will operate to a different eligibility termination process if directed by the State of Kansas.</i>
37	Claims Paid for Ineligible Members	Disagree	\$72.00	<b>State of Kansas response:</b> "This employee was on the 1/16/2020 file listed as EE Only effective 2/1/2020. Spouse was implied terminated effective same date. Spouses last day on coverage would then be 1/31/2020." <i>DDKS Response: Delta Dental of Kansas Eligibility allows coverage through midnight of the termination date provided. So, for a termination date of 2/1/2020 the member would be eligible until 11:59 PM on 2/1. DDKS will operate to a different eligibility termination process if directed by the State of Kansas.</i>



## DDKS Response to Draft Report

48	Claims Paid for Ineligible Members	Disagree	\$158.00	Electronic eligibility file received from the State indicates that Charlene McGee is active under her own SSN (State of Kansas Retirees) as well as her husbands (State of Kansas Emps DBNM). The eligibility file received by Sagebrush from the State did not show Charlene active under member ID 509446119. <u>State of Kansas response:</u> "This member is listed on the SOK elig file sent to Sagebrush. Line 70096." <i>DDKS Response: State of Kansas agrees with DDKS that eligibility is correct.</i>
49	Claims Paid for Ineligible Members	Agree	\$656.50	The file received by Sagebrush did not have this member active. <b>State of Kansas response:</b> "This member termed coverage 8/9/2018. Term was sent on the 7/25/2018." <b>DDKS Response:</b> Reviewed archive file from 7/25/2018 and termination was provided, and record errored during processing. <i>DDKS to issue a Guarantee of Service Excellence (GOSE) payment for two claims (DOS 6/9/20 and 9/15/20) totaling \$656.50.</i>
40, 44	Claims Paid for Ineligible Members	Disagree	\$308.00	Since the member was not present on the open enrollment file received in December, coverage was terminated effective 1/1/2021, the start of the new plan year. <b>State of Kansas response:</b> "This EE was on the 11/15 & 12/1 change file with a 1/1/21 term effective date which would make their last day on coverage 12/31/2020. I think this term was put in out of order and resulted in a bad date on the file." <i>DDKS Response: State of Kansas agrees with DDKS that eligibility is correct for both items.</i>
22	Duplicate Payments	Agree	\$59.50	Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and was returned on 6/9/2021. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
28	Duplicate Payments	Agree	\$135.00	Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and has not been returned. <i>This amount of \$135.00 will be included in a check request being processed.</i>
29	Duplicate Payments	Agree	\$380.00	Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and was returned on 6/9/2021. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
31	Duplicate Payments	Agree	\$406.50	Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and has not been returned. A refund has been requested and has not been returned. <i>This amount of \$406.50 will be included in a check request being processed.</i>
35	Duplicate Payments	Agree	\$172.00	Claim was paid in error. Error was addressed with processor with additional training. Refund was requested from the provider and has not been returned. <i>This provider no longer practices in Kansas, no chance for repayment. DDKS to issue a Guarantee of Service Excellence (GOSE) payment for claim totaling \$172.00.</i>

## DDKS Response to Draft Report

21	Duplicate Payments	Disagree	\$66 but should be \$59.00	<b>Standard operating procedures followed and no error by DDKS.</b> DDKS was notified by the provider that the claim was submitted under the wrong provider. Refund was requested and was returned on 1/20/2021 in the amount of \$59.00. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment. Claim processed as out-of-network and the payment amount was \$59.00. The corrected claim processed as in-network and DDKS paid \$66.00.</i>
23	Duplicate Payments	Disagree	\$96.80	<b>Standard operating procedures followed and no error by DDKS.</b> Four (4) units of anesthesia are allowed, and this claim processed correctly. However, after the payment was made DDKS received notification from the provider that they billed one (1) unit in error. Refund was requested and then returned on 1/29/2021 in the amount of \$96.80. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
32	Duplicate Payments	Disagree	\$88.00	<b>Standard operating procedures followed and no error by DDKS.</b> The claim was originally submitted under the wrong patient. DDKS received a corrected claim from the provider and moved the claim under the correct patient which created a duplicate claim. Refund was requested and then returned on 1/4/2021 in the amount of \$88.00. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
30	Duplicate Payments	Disagree	\$108.80	Claim paid in error. Errors were addressed with processors with additional training. Refund was requested and then returned on 11/3/2020 in the amount of \$108.80. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
25	Duplicate Payments	Disagree	\$41.00 but should be \$115.00	<b>Standard operating procedures followed and no error by DDKS.</b> Claims processed as out-of-network because the provider was not established on the National Provider File at this location. Corrected claim was received and processed under the active location. Refunds were requested from the subscribers and have not been returned. Member has been sent to collections. <i>Update: Refund has been received for Item 25 in the amount of \$115.00 from the subscriber. The money will be credited on the State's Group Patient Payment Report as an adjustment.</i>
33	Duplicate Payments	Disagree	\$24.00	<b>Standard operating procedures followed and no error by DDKS.</b> Both claims processed as out-of-network because the provider was not established on the National Provider File at this location. Corrected claims were received and processed under the active location. Refunds were requested from the subscribers and have not been returned. Member has been sent to collections. <i>This amount of \$24.00 will be included in a check request being processed.</i>

## DDKS Response to Draft Report

26	Duplicate Payments	Disagree	\$79.20 but should be \$150.00	<b>Standard operating procedures followed and no error by DDKS</b> Claim processed as out-of-network because the provider was not established on the National Provider File at this location. Corrected claim was received and processed under the active location. Refund was requested from the subscribers in the amount of \$150.00 and has not been returned. Member has been sent to collections. <i>This amount of \$150.00 will be included in a check request being processed.</i>
27	Duplicate Payments	Disagree	\$59.00 but should be \$196.00	<b>Standard operating procedures followed and no error by DDKS.</b> Claim processed as out-of-network because the provider was not established on the National Provider File at this location. Corrected claim was received and processed under the active location. Refund was requested from the subscribers in the amount of \$196.00 and has not been returned. Member has been sent to collections. <i>This amount of \$196.00 will be included in a check request being processed.</i>
34	Duplicate Payments	Disagree	\$68.00 but should be \$51.00	Claim paid in error. Errors were addressed with processors with additional training. Refund was requested and then returned on 5/24/2021 in the amount of \$51.00. <i>The money has previously been credited on the State's Group Patient Payment Report as an adjustment.</i>
24	Duplicate Payments	Disagree	\$60.50	<b>Standard operating procedures followed and no error by DDKS.</b> An appeal was received with additional documentation. A consultant reviewed the documentation and approved the additional unit of anesthesia and was deemed clinically necessary.