

Provider Complaint Unit

Background

The prompt and fair payment of health care providers is crucial to California's health care delivery system, as they are the one true link to the patient. To honor that link, in 2004 the DMHC established the Provider Complaint Unit (PCU) to ensure the prompt and accurate payment of provider claims. The PCU provides an easy and free method for healthcare providers, including doctors and hospitals, to get help with claims payment problems. As of November 2010, the PCU has recovered more than \$22 million for California doctors and hospitals as a result of submitted complaints.

Functions / Summary

- The PCU has an online Provider Complaint System to evaluate claim reimbursement disputes such as timely submission and payment of claims, failure to pay according to contracts, coding disputes, enforcement of the provider bill of rights, and problems with post-emergency stabilization care.
- In addition to resolving individual complaints, the PCU looks for systemic or recurring types of payment, payer or contract problems within health plans in order to target appropriate follow-up or enforcement activity. In 2008, the DMHC fined PacifiCare of California \$3.5 million for not paying provider claims on time.
- In 2010, the DMHC announced nearly \$5 million in fines against the seven largest health plans in the state for violations in paying claims to health care providers statewide. The fines, along with restitution to doctors and hospitals, capped an 18-month investigation of claims practices. In addition to penalties, the DMHC ordered changes to health plans' payment practices.
- In 2010, the DMHC announced a \$1.6 million fine against Anthem Blue Cross in additional payments to seven hospitals that complained to the DMHC about denied financial claims. The DMHC also directed the plan to change the way that they paid "stop-loss" payments, which cover care above the contracted daily rate paid by a plan to a hospital. As a result of these changes, denied stop-loss payments have dropped by half each year for the past two years and it is estimated that Anthem-contracted hospitals statewide have now received more than \$100 million in additional payments.
- The PCU has also established an Independent Dispute Resolution Process (IDRP) to give non-contracted providers of EMTALA-required emergency hospital and physician services a fast, fair and cost effective way to resolve claim payment disputes with health care service plans and their capitated provider groups. The IDRP is voluntary for both non-contracted providers and payers. Disputes are decided by an independent third-party review organization.
- If you are a provider and would like to report a problem regarding claims payment or learn more about the Independent Dispute Resolution Process, please contact us at 1-877-525-1295, or go to www.healthhelp.ca.gov.

Related Content

How to submit a provider complaint: http://healthhelp.ca.gov/providers/clm/clm_comp.aspx

Provider Complaint Unit 2009 Statistics: <http://healthhelp.ca.gov/library/reports/provider/09pcdistats.pdf>

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