

Health Insurance Education Series: Medicaid Denials

APRIL 2024



**Division of Specialized
Care for Children**

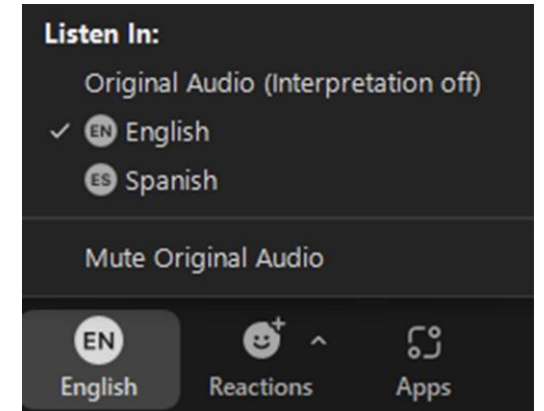
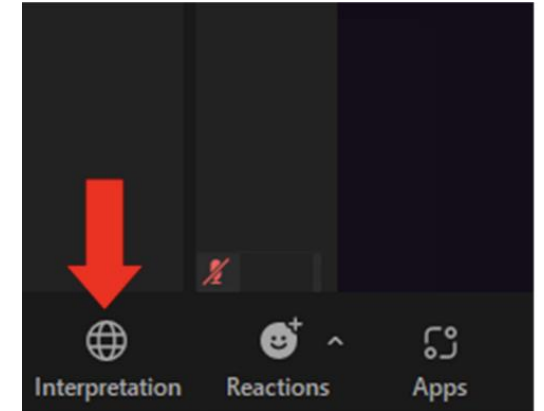
Language Accessibility



Every participant must choose a language audio channel via the Interpretation button at the bottom of the screen.



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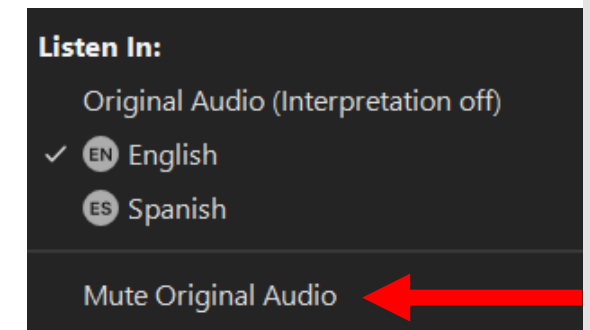
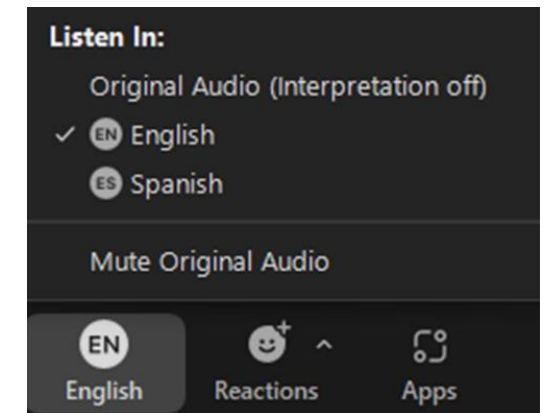
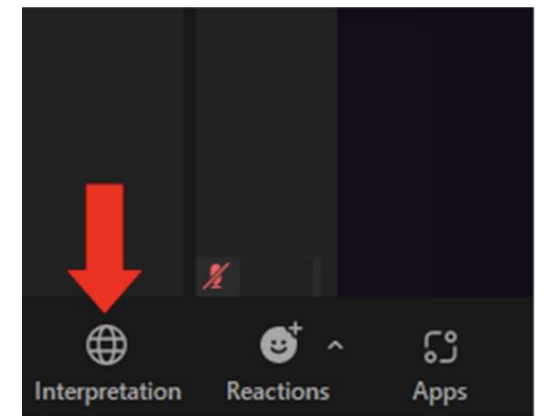
Accesibilidad al Idioma



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Housekeeping



Information will be presented in English. If you selected Spanish as your language, information will be translated verbally.



The slides are in English. The Spanish version of all materials are found on the DSCC website.

- » <https://dsccl.uic.edu/family-education-webinars/>



We are recording this presentation. The recording will be posted on the website.



Do not share any personal information.

Housekeeping



Captioning is available for this presentation.



All attendees are muted. Use the “Raise Hand” button or use the “Q&A” button to ask a question.



The chat has been turned off.



Chat



Raise Hand



Q&A



Show Captions



Resources

About the Presenters



DSCC Benefits Management & Research Unit Team



Works with the DSCC care coordination teams to help solve insurance problems.



Presenters

- » Grecia Villegas
- » Renee Woodson

Agenda



DSCC Overview



What is a denial?



Medicaid coverage



How to avoid denials and what to do if you get a denial



Questions

Our Vision and Mission



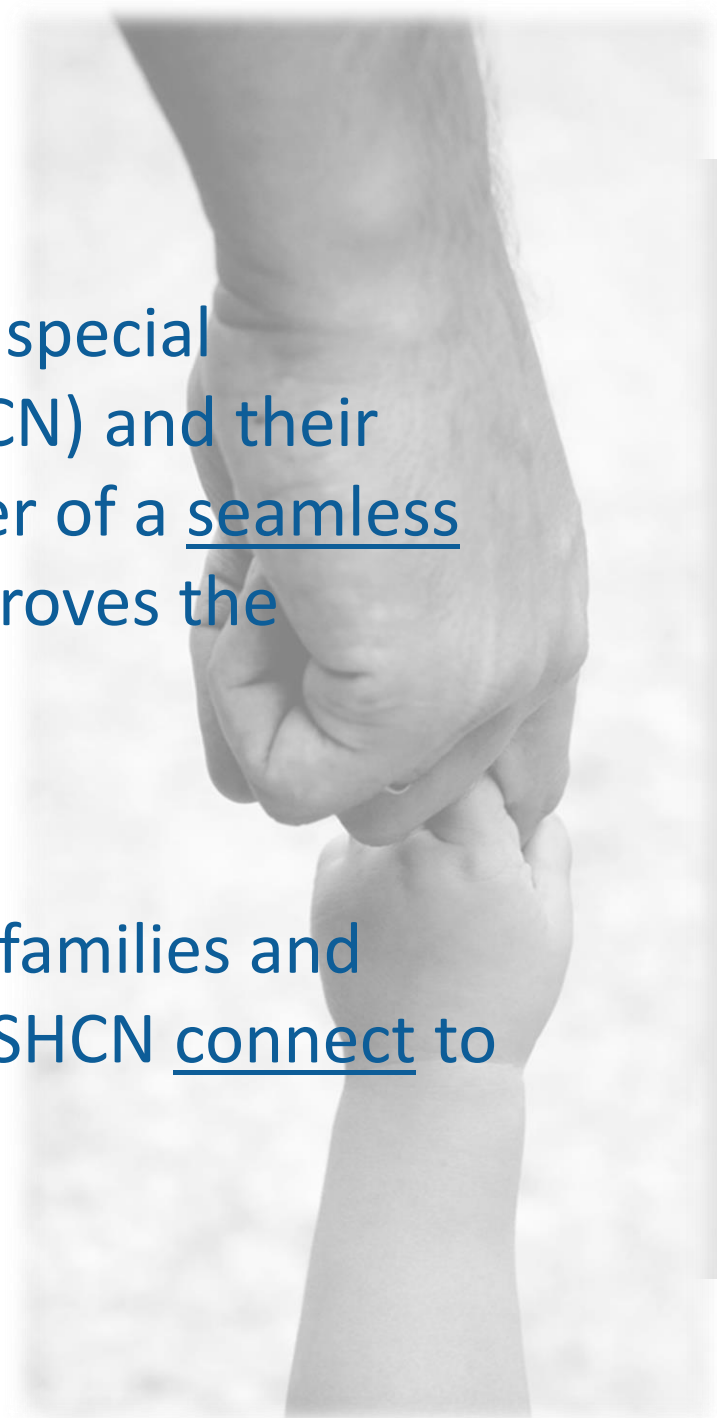
Vision

- » Children and youth with special healthcare needs (CYSHCN) and their families will be the center of a seamless support system that improves the quality of their lives.



Mission

- » We partner with Illinois families and communities to help CYSHCN connect to services and resources.



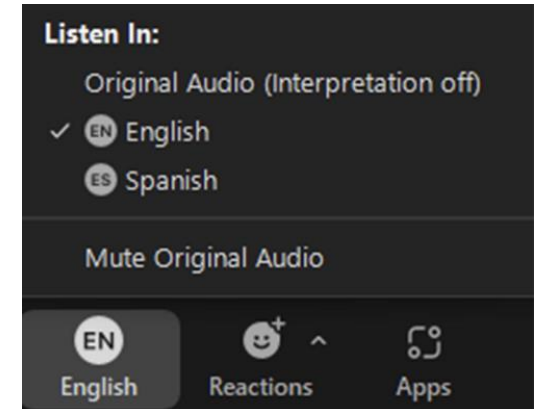
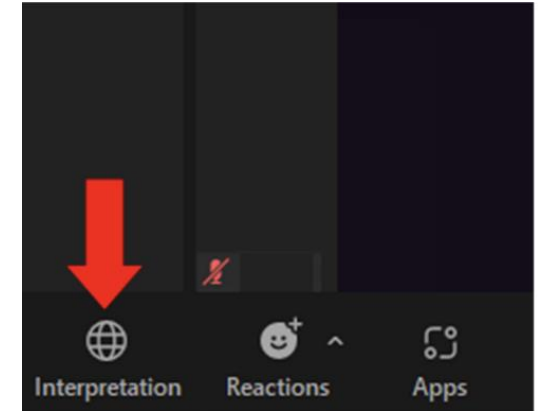
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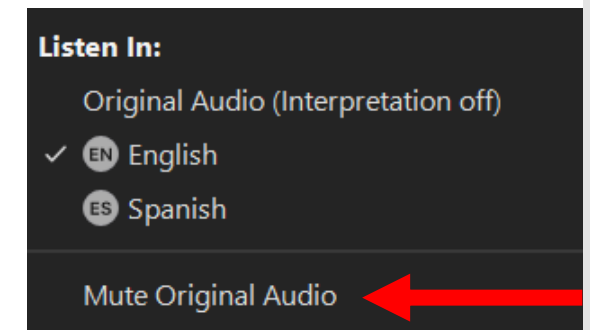
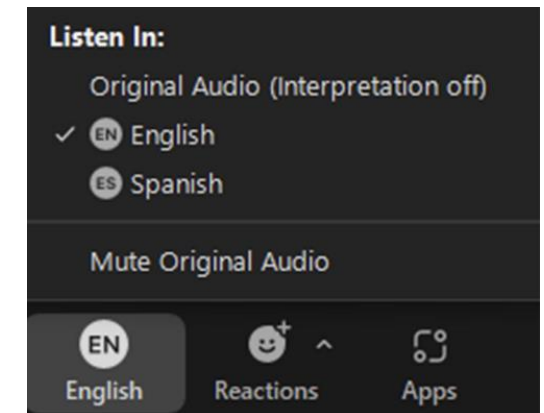
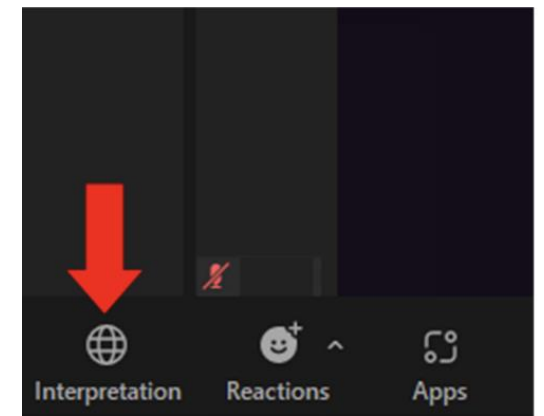
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What is a denial?



Your health plan refuses to pay a claim for services you already received



Your health plan does not approve services when a prior authorization request was sent by a doctor or provider

Avoiding Denials



Use providers that accept Medicaid



Know what Medicaid covers



Get prior approvals when required

Medicaid Out of Pocket Costs



No copays or premiums*



You won't have out-of-pocket costs if you use Medicaid enrolled providers or providers enrolled with your managed care (MCO) plan*



If the service is not covered by Medicaid or your MCO, you could be responsible for the cost

*for most Medicaid programs

Finding a Medicaid Provider



You must use providers that accept Medicaid.



If you have regular Medicaid, call the Health Benefits Hotline at (800) 226-0768 for help finding a provider.



If you are in a Medicaid managed care plan, you must use providers that are in-network with your plan.

- » Call the member services number on your insurance card to find a provider.
- » You can also use the health plan website to find a provider.

What Does Medicaid Cover?



Medicaid provides benefits for many medical services like doctor visits, vision, dental, and prescription .

- » See more information on the [What Does Illinois Medicaid Cover](#) Tip Sheet.



Medicaid managed care provides the same services as regular Medicaid and may have some additional benefits for their members.



You may need a prior approval to get certain services.

What Does Illinois Medicaid Cover?

Illinois Medicaid is not a Division of Specialized Care for Children (DSCC) program. DSCC does not decide coverage or eligibility for Medicaid. We provide this information as helpful guide.

Medicaid covers many services, providing full medical, dental, vision and pharmacy benefits. Below are examples of what Medicaid may cover. It is not a complete list.

Some services may have special rules to get them, such as a certain age or medical diagnosis. Some services have limits on how much of the service or item Medicaid will cover. For example, Medicaid will only cover diapers for a child aged 4 and up. The child must have a medical need to get formula.

<p>Medical Services</p> <ul style="list-style-type: none"> • Doctor appointments • Specialist visits • Lab work • Surgery • Inpatient hospitalizations 	<p>Medical Supplies</p> <ul style="list-style-type: none"> • Diapers • Feeding supplies • Formula • Infusion supplies • Oxygen
<p>Durable Medical Equipment</p> <ul style="list-style-type: none"> • Wheelchairs • Commode or bath chairs • CPAP devices and nebulizers • Crutches, canes, or walkers • Hospital beds • Blood sugar meters and strips • Communication devices • Internal home lifts • Stair climbers (only if there are stairs inside the home) 	<p>Dental</p> <ul style="list-style-type: none"> • Oral exams and cleanings every six months • Sealants • Fluoride • Crowns, root canals, etc. • Extractions • Anesthesia and sedation when medically necessary <p>Note: Some services are only available for children through age 21.</p>
<p>Transportation</p> <ul style="list-style-type: none"> • Transportation to appointments • Emergency transportation, such as an ambulance when there is an urgent medical emergency 	<p>Medications</p> <ul style="list-style-type: none"> • Prescription medications • In some cases, over the counter medications and vitamins are covered

<p>Therapy</p> <ul style="list-style-type: none"> • Physical therapy • Occupational therapy • Speech therapy • Applied Behavioral Analysis (ABA) therapy 	<p>Mental/Behavioral Health</p> <ul style="list-style-type: none"> • Inpatient hospitalization • Outpatient behavioral health services • Neuropsychological evaluations • Crisis intervention for youth aged 20 and younger (SASS)
<p>Vision Services</p> <ul style="list-style-type: none"> • Eye exams • Eyeglass frames and prescription lenses, bifocals, and trifocals • Specialty frames such as Miraflex, if medically necessary • Contact lenses, if medically necessary 	<p>Orthodontia</p> <p>Orthodontia is covered for individuals who have eligible medical conditions.</p> <p>Some examples of conditions include:</p> <ul style="list-style-type: none"> • Cleft palate • Deep impinging bite with signs of tissue damage • Anterior crossbite with gingival recession • Severe traumatic deviation

Helpful Resources

- If you are in a Medicaid managed care plan, call the Member Services number on your card to ask about covered benefits. You may also have additional benefits available to you.
- Call the Medicaid Health Benefits Hotline at (800) 226-0768.
- Review your member handbook.
 - [Medicaid Member Handbook in English](#)
 - [Medicaid Member Handbook in Spanish](#)
 - Contact your managed care plan for a copy of your handbook. They are also located on the health plan website.

What Is Not Covered by Medicaid



Services that are not medically necessary



Cosmetic services



Services or items that are a convenience to the caregiver



Services ordered or prescribed by a doctor that is not enrolled with Medicaid

What Is Not Covered by Medicaid



Items that are fully electric such as a hospital bed or lift



Items or services when a more cost-effective option is available



Items or services that are available at a retail store that would meet the medical need such as 5-point harness car seat

What Is Not Covered by Medicaid



Services that are duplicative like a wheelchair and custom stroller



Stair climber or lift for external stairs

- » Medicaid may cover if there are internal stairs



Vehicle or home modifications

- » Usually covered by a Medicaid waiver if eligible

Medicaid and Other Insurance



You can have Medicaid and other insurance like:

- » Private insurance
- » Medicare
- » Tricare (military insurance)



Your other insurance will pay for services first, Medicaid will pay second.



You may be eligible for the Health Insurance Premium Payment Program.

- » [DSCC HIPP Program Tip Sheet](#)

Medicaid and Other Insurance



You must follow both insurance rules:

- » Using in-network providers
- » Getting a referral when required
- » Getting a prior authorization when required



If services are covered by Medicaid, you should not be charged copays, deductible, or coinsurance from your other insurance.



You must tell Medicaid if you have other insurance

Updating Medicaid with Other Insurance



Call the Third-Party Liability Update Line at (217) 524-2490.

- » Have the Medicaid number for each member and the insurance information ready.
- » Press 1 for English or 2 for Spanish.
- » Press 4 for the Third-Party Liability.



Email hfs.tpl.1442@illinois.gov

- » In the email put the member's name, the Medicaid number, and provide the insurance information.
- » It helps to provide a picture of the insurance card in the email.

Understanding Denials



It is important to understand why Medicaid or your managed care plan said “no” to a service.



You may get a letter from Medicaid or your managed care plan that says why the service was denied. This can happen before or after a service is received.



Your doctor, provider, or pharmacy might also have information on why something was denied.

Common Denial Reasons



Mistake or error



Pre-authorization was required



Treatment is not medically necessary



Drug is not on the formulary



The care is out-of-network



Service Not Covered

Common Pharmacy Denials



No insurance information on file or incorrect insurance information on file



Refill Too Soon



Prior Approval Needed or Not Needed



Four Prescription For Over 19



Supply Limits – 30 day of certain medications



Over the counter (OTC)

Avoid Pharmacy Denials



Call your MCO plan or Health Benefits Hotline to find out if a prior approval is needed



Call your plan to find out the refill limits



Ask your doctor to submit a prior approval to Medicaid or your MCO plan



Make sure pharmacy has your most current and correct insurance information



If you or your child turn 19, ask the pharmacy if a prior approval is needed

What to do?



Ask the pharmacy what denial reason they are getting



Call your MCO plan or the Medicaid Health Benefits Hotline



Call your doctor to get their help

- » May be able to suggest alternative medications or resources
- » May be able to talk to your MCO or Medicaid to give them more medical information

Pharmacy Denial Example



Dr. Jones prescribed Keppra for your child for seizures. The office sends the prescription over to Walgreens. Walgreens calls you later to tell you that the medicine was denied and to get the medication you will have to pay out of pocket.



You tell pharmacist you have Meridian MCO. Pharmacist confirms they billed the correct plan and it was denied.



Ask the pharmacy what the denial reason was. They say no prior approval.



You call Dr. Jones office and ask them to put in a prior approval for Keppra.

Common Equipment Denials



Prior Approval needed/not needed



Less costly item is available to meet the need



Not medically necessary or need additional justification



Equipment is duplicative



Additional information needed



Script does not match prior approval or letter of medical necessity



Item is a convenience

Avoid Equipment Denials



Ask the equipment provider if a prior approval is required. Call your MCO plan or Health Benefits Hotline to find out if a prior approval is needed



Ask your prescribing doctor to provide a letter of medical necessity that is detailed



For certain equipment, there may be a minimum amount of time to wait until you can get that same item again.



Talk with your doctor or the equipment provider about alternative options

What to do?



Ask your provider why the equipment was denied



Call your MCO plan or the Medicaid Health Benefits Hotline



Ask your doctor to give additional information to support why the equipment is needed



Ask your doctor to do a peer-to-peer review with your health plan



If your plan suggested other options, review those with your doctor

Equipment Denial Example



Dr. Patel prescribed an electric hospital bed for your child. Dr. Patel also writes a letter of medical necessity to explain why the bed is needed.



The equipment company, Hospital Bed Plus, tells you that the bed was denied. The reason is that it is a convenience item and a less costly item could meet the need.



You review with Dr. Patel and semi-electric hospital is prescribed. A new request is submitted for a semi-electric hospital bed with additional information from Dr. Patel.



The request is approved.

Common Medical Supply Denials



Prior Approval needed/not needed



Item available over-the-counter



Not medically necessary or need additional justification



Additional information needed



Script does not match prior approval or letter of medical necessity

Avoid Medical Supply Denials



Ask the supply company if a prior approval is required for the supplies. Call your MCO plan or Health Benefits Hotline to find out if a prior approval is needed



Ask if there is a limit on the number of items you can get

- » If you need more than what is allowed, a prior approval is needed



There may be age limits, criteria that must be met, or restrictions on the supplies you can get



Ask your prescribing doctor to provide a letter of medical necessity that is detailed

What to do?



Ask your supply company why the medical supplies were denied



Call your MCO plan or the Medicaid Health Benefits Hotline



Ask your doctor to give additional information to support why the medical supplies are needed



Ask your doctor to do a peer-to-peer review with your health plan

Supply Denial Example



Dr. Garcia writes an order for foley catheters for your child. The order says your child need 30 catheters per month because the catheter needs to be changed once per day.



The supply company, Best Home Supplies, says that they cannot bill for the catheters because the limit is 2 per month.



You request a letter of medical necessity from Dr. Garcia and ask Best Home Supplies to send a prior approval to Medicaid.



Medicaid reviewed the request for the foley catheters and approves it.

What is a Bill?



A bill is a statement of charges for medical services.



The bill that is submitted to the insurance company is also called a claim. A claim lists the services your doctor provided.



The insurance company uses the information given in the claim to pay the doctor or facility charges.

What to Do If You Get a Bill?



If you have a question or a concern about the bill, call medical provider to ask them to explain the charges.

- » The provider may need more information.
- » Medicaid or your managed care plan might have denied services.



If the provider accepts your Medicaid and the services are covered by Medicaid, the provider cannot charge you copays, coinsurance, or deductibles.



If you don't agree with the bill, you can dispute it with the provider by calling the billing department.

Appeals



If Medicaid denied services, you have the right to appeal.



An appeal is when you ask Medicaid or your managed care plan to reconsider their decision.



If you have regular Medicaid (no managed care plan), you submit your appeal to Medicaid.



If you have a Medicaid managed care plan, you submit your appeal to your plan by calling member services.



You must submit the appeal within 60 days from when they denied the application or services.

How to Appeal to Medicaid



Online at

<https://abe.illinois.gov/abe/access/appeals>



Write a letter and submit it one of these ways:

- » At your DHS Family Community Resource Center.
- » Call (800) 435-0774
- » Email DHS.BAH@Illinois.gov
- » Fax (312) 793-3387
- » Mail to:
Bureau of Hearings
69 W. Washington, 4th Floor
Chicago, IL, 60602

Resource Links



[DSCC Appeals Tip Sheet](#)



[DSCC Insurance Appeals Calendar](#)



[DSCC Appeals Communication Log](#)



[DSCC - What Does All Kids Medicaid Cover
Tip Sheet](#)



[HealthChoice Illinois \(Medicaid Managed
Care\) Website](#)

Summary



Denials are when your health plan says “no” to an item or service.



Medicaid covers many services, but you may need a prior approval.



Information from your doctor that supports the medical need is important.



Pay attention if you get a bill and be sure to review it.



If you don't agree with a decision that Medicaid or your managed care plan made, you can appeal it.

Questions



We have saved some time for questions.



Please use the **Q&A button** box if you have questions. You can also use the **Raise Hand** button and we will unmute you.



Chat



Raise Hand



Q&A



Show Captions



Resources

Thank you!

Survey



Thank you for participating in our training today. We hope you found it helpful!



We will email the link to the website. All materials and recordings will be posted at <https://dscc.uic.edu/family-education-webinars/>.



Please complete the survey at the end of the training. Your thoughts are very helpful and important.



We also would like to know any other topics you would like more training on.

Future Webinars



This training is part of a series of trainings called “Health Insurance Education.”



You can review this recording and materials for the other two trainings on our website.

- » March: Social Security Benefits
- » April: Medicaid Denials
- » May: Transitioning Health Insurance to Adulthood



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