

HPS Finance Ops/Post Adjudication Procedures (Louisiana Medicaid Claims Payment and Reporting Policy)

Original Date: 8/27/2023

Accountable Dept.: HPS Finance

Last Reviewed Date: 8/28/2023

Summary of Changes:

- NEW DOCUMENT

Scope:

This document applies to the invoicing and reconciliation of LA MCD SPBM pharmacy paid claims transactions and payments made to Magellan Rx. The reconciliation of payments occurs approximately every seven days. All clean (undisputed) electronic and paper pharmacy claims are paid within 2 days of invoice receipt, approximately every 7 days, the Humana Pharmacy Solutions (HPS) Operations Finance General Accounting, Associate Director reviews and approves the reconciliation prepared by the accountant.

Procedures:

Humana Pharmacy Solutions (HPS) Financial Ops is responsible for reconciling the Magellan Rx 'Claims Billing Invoice' to the daily NCPDP 4.7 file and weekly cycle 'Claims Detail Data' file. They are responsible for ensuring the Magellan Rx invoice is paid in compliance with the Magellan Rx schedule. This occurs approximately every seven days.

Approximately every 7 days, the HPS Operations Finance and Post Adjudication Accountant prepares the reconciliation by performing the following steps:

- 1) Humana Pharmacy Solutions (HPS) Financial Ops team receives the Magellan Rx invoice via Secure File Transfer Protocol (sFTP) each Wednesday.
- 2) Each day, Humana IT loads the pharmacy claims data from the NCPDP 4.7 file into the Enterprise Data Warehouse
- 3) Each financial cycle, the Humana IT team loads the data from the NCPDP 4.7 and the Claims Detail Data file into the financial reconciliation tables.
- 4) The data from the financial reconciliation tables is pulled into the Reconciliation spreadsheet for the accountant to reconcile and research any differences, if applicable
- 5) After the reconciliation is complete, the Standard AP upload document is created
- 6) The reconciliation, Magellan Rx invoice and the Standard AP (Accounts Payable) upload form is submitted to the HPS Operations Finance and Post Adjudication General

Accounting Associate Director for final review and approval

The reconciliation is reviewed and approved within two business days following the receipt of the Magellan invoice

7) Once approved, the Standard AP form is uploaded to the aSSIST portal for the Accounts Payable team to process the funding wires and make the payment.

8) Once payment has been made, the accountant receives an email confirmation from AP.

9) Each month, HPS Finance provides the LA MCD SPBM invoice reconciliation to the Corporate Accounting team for use in their reconciliations.

These two financial controls utilize the reconciliation we provide to substantiate the claims expense and liability on the health plan:

PCDR-239415: The Senior Accountant of General Accounting, Financial Operations - Retail Senior Products reviews the reconciliation of the Incurred Claim Accrual (ICA) Summary File to the Magellan Rx Invoices monthly. (Owned by John Snearly)

PCDR-3610107: Monthly, the General Accounting, Financial Operations - Retail Senior Products Accounting Lead reviews a reconciliation of pharmacy claims data to ensure it is flowing completely and accurately from the Enterprise Data Warehouse (EDW) to Incurred Claims Expense Pharmacy (ICE Rx) to Incurred Claims Completed (ICC) Rx within the Incurred Financial Model (IFM) process. (Owned by John Snearly)

Definitions:

1. NCPDP 4.7 file – Daily claims file from Magellan Rx (MMA)
2. Claims Billing Invoice – Magellan Source Invoice Document (MCOID BILLINGINVOICE CYCLEENDDATE.pdf)
3. Claims Detail Data – Magellan Cycle (Weekly) claims data (MCOID ADJCLM CYCLEENDDATE.xls)
4. EDW - Enterprise Data Warehouse

References:

N/A

Communication and Training Plan:

All communications assures that the trainee will be informed and ready. Ongoing training will occur to ensure all finance reconciliation and funding stakeholders are trained and proficient.

Owner: **GEORGE ARMSTRONG**Executive Team Member: **ROSS WESTREICH**Accountable VP / Director: **TABATHA ROWE****Disclaimer:**

Humana follows all federal and state laws and regulations. Where more than one state is impacted by an issue, to allow for consistency, Humana will follow the most stringent requirement.

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