



## **New Law Requires Web-based Claim Preadjudication Tool for Providers**

By Chris Lowe, King & Ballow Partner & Healthcare Practice Member  
[clowe@kingballow.com](mailto:clowe@kingballow.com)

Next year, health insurance companies will be required by Tennessee law to set up web sites accessible to providers, with an online preadjudication tool that can be used by providers for certain claims.

By July 1, 2010, health insurance entities (generally, entities that contract or offer to contract to provide health insurance coverage) will be required to establish and maintain a web site accessible to providers with whom they contract. On that website must be a web-based preadjudication tool for use by a provider prior to the provider's submission of "clean claims" or claim combinations. "Clean claims" are claims that require no further information, adjustment, or alteration by the provider in order to be processed and paid by the insurer.

The preadjudication tool must provide accurate information to providers about the manner in which the health care entity's system will adjudicate claims for specific billing codes or combinations of codes. The tool must also provide accurate information regarding the allowed amounts for claims based on the provider's fee schedule and contract with the health care entity, if the claim is determined to be a "clean claim."

The preadjudication tool need not reflect the effects of coverage terms and conditions unrelated to contract rates, fee schedules and reimbursement rules and policies. Also, the tool is not required to respond to a provider when data submitted by a provider is not sufficient to provide the information required above.



Health insurance entity policies affecting information available to providers through the tool must be easily accessible by providers on the entity's web site. Finally, the preadjudication tool will not apply to inpatient claims, or contracts between providers and certain state insurance programs.

Contact me if you would like to know more about the requirements for a health care entity web site and preadjudication tool.

**For more information contact:** Chris Lowe, Partner & Health Care Practice Member at King & Ballow, [clowe@kingballow.com](mailto:clowe@kingballow.com), phone (615) 726-5514.

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