

**Employee Group
Insurance Program
Administrative
Manual**



BCBS ELIGIBILITY AUDIT

706

EFFECTIVE DATE: SEPTEMBER 1, 2002

REVISION DATE:

PURPOSE: Process for auditing UT SELECT claims paid by BCBS against member eligibility as of the date of service

SCOPE: Component institutions of The University of Texas (U.T.) System and the Office of Employee Group Insurance (EGI) at U.T. System Administration

1.0 BACKGROUND

Blue Cross and Blue Shield of Texas (BCBS) is providing EGI with a weekly submission of claims data. The purpose of conducting an eligibility audit is to ensure that claims have been processed on only those subscribers of the UT SELECT plan for the dates of service covered by their enrollment.

2.0 Process for Conducting the Eligibility Audit

Following the "eligibility snapshot" taken on the **1st Sunday of the Month**, EGI's Information Systems (IS) Department will run the BCBS "Claims Paid" files against the 120 day old data using the following schedule as a guideline:

Claims Paid Data	Eligibility Data as of...
October 2002 Claims	March 2003
November 2002 Claims	April 2003
December 2002 Claims	May 2003
January 2003 Claims	June 2003
February 2003 Claims	July 2003

The Accounting Assistant in EGI's Finance Department will then compare the results of the BCBS Eligibility Audit against the Claims Refund Worksheets provided to EGI by BCBS. Any claim identified by EGI that has not been picked up on the BCBS Refund tracking tool (Claims Refund Worksheet) should be scheduled and tracked by the Accounting Assistant until BCBS does acknowledge the need for a claim refund or other resolution is made. Provide feedback, as needed, to the EGI IS Department in the event that eligibility exceptions are identified in error. This feedback will be used to further refine the eligibility audit program.

The Financial Analyst in EGI's Finance Department assigned to BCBS will obtain from the Accounting Assistant the results of the eligibility audit. The Financial Analyst will then provide

BCBS with the information necessary to identify and track the audit exceptions on their tracking tool (Claims Refund Worksheet). This communication should be concluded by the third week of each month as a general rule.

Refund activity reported to EGI on the Claims Refund Worksheet should be verified using the BCBS Claims Paid File as a source.

Routinely, EGI management will review the BCBS Claims Refund Worksheet to ensure that they acknowledge EGI's audit results. On a monthly basis, EGI Management will be provided a summary of refunds activity as follows:

Total Claim Refunds	\$ _____
Less Refunds Received	(_____)
Refunds Pending	\$ _____

Source: UT System Status Report provided by BCBS at monthly meetings with EGI

This summary should be provided to the EGI Financial Reporting Manager and the EGI Director on or before the last day of the month.

A monthly accrual of the Refunds Pending should be included in the EGI Financial Reports for the UT Select Plan as supported by the analysis above and the U.T. System Status Report.