



## ADMINISTRATIVE POLICY STATEMENT KENTUCKY MARKETPLACE PLANS

<b>Original Issue Date</b>	<b>Next Annual Review</b>	<b>Effective Date</b>
04/05/2018	09/01/2019	09/01/2018
<b>Policy Name</b>		<b>Policy Number</b>
Trading Partners		AD-0081
<b>Policy Type</b>		
Medical	<b>ADMINISTRATIVE</b>	Pharmacy Reimbursement

Administrative Policy Statements prepared by CSMG Co. and its affiliates (including CareSource) are derived from literature based on and supported by clinical guidelines, nationally recognized utilization and technology assessment guidelines, other medical management industry standards, and published MCO clinical policy guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

Administrative Policy Statements prepared by CSMG Co. and its affiliates (including CareSource) do not ensure an authorization or payment of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced in the Administrative Policy Statement. If there is a conflict between the Administrative Policy Statement and the plan contract (i.e., Evidence of Coverage), then the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination.

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**A. SUBJECT**  
**Trading Partners**

**B. BACKGROUND**

CareSource accepts electronic claims submissions to increase the efficiency of claims processing. CareSource has specific requirements regarding electronic claims submission. This policy applies to providers wishing to directly connect with CareSource for electronic filing along with Trading Partners and Clearinghouses not already contracted with CareSource and the electronic claims submission process.

**C. DEFINITIONS**

- Clearinghouses/Trading Partners – are companies that function as intermediaries who forward claims information from healthcare providers to insurance payers.
- Direct connections – are direct electronic claims submissions to CareSource without the use of a clearinghouse/trading partner.
- Electronic Data Interchange (EDI) - is the computer-to-computer exchange of business data.

**D. POLICY**

- I. CareSource only allows direct connections for EDI transactions with contracted Trading Partners/Clearinghouses, states and Centers for Medicare and Medicaid Services (CMS).
- II. CareSource will not contract or approve direct connections with providers (e.g. hospitals, labs, offices, practitioners, etc.).
- III. New direct connection requests will not be granted unless it is fully documented and approved by CareSource’s IT and Operations Executive Leadership.

**E. CONDITIONS OF COVERAGE**

N/A

**F. RELATED POLICIES/RULES**

N/A

**G. REVIEW/REVISION HISTORY**

	DATES		ACTION
<b>Date Issued</b>	04/05/2018		New Policy.
<b>Date Revised</b>			
<b>Date Effective</b>	09/01/2018		

**H. REFERENCES**

N/A

**The Administrative Policy Statement detailed above has received due consideration as defined in the Administrative Policy Statement Policy and is approved.**