



**COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF PUBLIC WELFARE**

**APPEAL OF:** CARDIOLOGY ASSOCIATES OF WEST READING  
DOCTORS OFFICE BUILDING, SUITE 2020  
301 SOUTH 7TH AVENUE  
WEST READING, PA 19611

**RECOMMENDATION**

It is hereby **RECOMMENDED** that the appeal of the Appellant be **DENIED**.

November 26, 2003  
Date

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Maureen F. Heffren, Esquire  
Administrative Law Judge  
Bureau of Hearings & Appeals

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                          WEST READING, PA 19611

**ADJUDICATION**

**OPENING STATEMENT**

This is an appeal by the Appellant, Cardiology Associates of West Reading, from a decision of the Department of Public Welfare, 180-Day Outpatient Unit (Department), to deny compensation for services rendered to the recipient. A hearing was convened by telephone on September 4, 2003 at 9:00 a.m., from the Bureau of Hearings and Appeals, 117 West Main Street, Plymouth, Pennsylvania. All witnesses were sworn by the Presiding Administrative Law Judge, Maureen F. Heffren, Esquire, and testified under oath.

**EXHIBITS**

For the Department:

- C-1 Denial notice dated March 24, 2003
- C-2 Medical Services Invoices
- C-3 180-Day Exception Request Detail Page
- C-4 PA Medical Assistance Eligibility Verification System (EVS) Report
- C-5 Remittance Advice dated May 6, 2002
- C-6 Remittance Advice dated December 9, 2002
- C-7 Remittance Advice dated December 16, 2002

For the Appellant:

- A-1 Appeal letter dated April 29, 2003, which was postmarked April 29, 2003 and received by the Department on May 1, 2003

**ISSUE**

Did the Department correctly deny payment to the Appellant for Medical Assistance services rendered to the recipient on the grounds that Appellant failed to submit a correctly completed invoice within the regulatory time frame and Appellant did not meet exception request criteria?

## **FINDINGS OF FACT**

1. The Appellant, Cardiology Associates of West Reading, provided services to the recipient, from September 19, 2001 through October 19, 2001. (Testimony of DW)
2. One hundred-eighty (180) days from the last date of service of October 19, 2001 was April 17, 2002.
3. The Appellant filed an invoice Exception Request which was received by the Department on February 7, 2003. (Testimony of DW)
4. The first documented submission of an invoice for the dates of service was an invoice which was received by the Department on May 1, 2002. (Exhibit C-5)
5. The Department denied the Appellant's Exception Request in a denial notice dated March 24, 2003. (Testimony of DW and Exhibit C-1)
6. The Appellant did not meet the exception criteria relative to a request for an eligibility determination or a request for payment from a third party as set forth in 55 Pa. Code §1101.68 (c) (1) and (2).
7. The Appellant filed an appeal from the denial of its Exception Request which was postmarked April 29, 2003 and received by the Department on May 1, 2003. (Exhibit A-1)

## **DISCUSSION**

This is an appeal from the decision of the Department of Public Welfare to deny compensation to the Appellant, Cardiology Associates of West Reading, for medical services rendered to the recipient for the dates of service from September 19, 2001 through October 19, 2001. The Department denied compensation on the basis that a correctly completed invoice for those dates of service was not submitted within the time frames set forth within Departmental regulations at 55 Pa. Code §1101.68. The Department denied the Appellant's Exception Request seeking an exception from these time frame requirements in a denial notice dated March 24, 2003 and the Appellant filed an appeal from that notice, which was postmarked April 29, 2003 and received by the Department on May 1, 2003. Thirty-three (33) days from March 24, 2003 was April 26, 2003 which fell on a Saturday. The next business day was Monday April 28, 2003. A provider must file an appeal within 33 days of a denial notice. 67 Pa. C.S. §1102(b)(1)(ii)(B). If an appeal was filed by first-class mail, the United States postmark appearing upon the envelope in which the request was mailed shall be considered the filing date. 67 Pa. C.S. §1102(b)(1)(iii). Here, the postmark date is April 29, 2003 which is one day late.

The appeal in this instance was not filed in a timely manner. However, even if the appeal was timely filed, it should be denied.

DW represented and testified on behalf of the Department. DW testified that the Appellant submitted an Exception Request to the Department on February 7, 2003. DW stated that the Department based its denial on the regulations found at 55 Pa. Code §1101.68. DW indicated that the dates of service at issue are from September 19, 2001 through October 19, 2001. DW noted that the time frame for submitting a correctly completed invoice was 180 days from the last date of service at issue. According to DW, the Department issued a denial notice on March 24, 2003. In summary, DW testified that there is no evidence of a correctly completed invoice submitted to the Department

within the time frames established by the regulations and that the Department was not empowered to disregard duly promulgated regulations.

AW represented and testified on behalf of the Appellant. AW testified that the Appellant found out that the recipient was eligible for Medical Assistance on April 29, 2002. AW testified that at that point, the Appellant submitted a claim. AW testified that following a denial on May 6, 2002, the Appellant submitted a letter to the 180-Day Exception Unit on June 19, 2002 and resubmitted it on September 23, 2002 and February 14, 2003. AW acknowledged that he did not have a mail receipt for these submissions.

Regulations at 55 Pa. Code §1101.68 provide as follows:

- (a) *Invoices.* When billing for MA services or items, a provider shall use the invoices specified by the Department or its agents, according to billing and other instructions contained in the provider handbooks.
- (b) *Time Frame.* MA providers shall submit invoices correctly and in accordance with established time frames. For purposes of this section, time frames referred to are indicated in calendar days.
  - (1) A provider shall submit original or initial invoices to be received by the Department within a maximum of 180 days after the date the services were rendered or compensable items provided.
  - (2) Departmental receipt of a claim is evidenced by appearance of the claim on a remittance advice (RA). The claim reference number (CRN) identifies when the claim was received by the Department. The first digit of the CRN indicates the year. The next three digits refer to the Julian Calendar date.
  - (3) Resubmission of a rejected original claim or a claim adjustment shall be received within 365 days of the date of service, except for long-term care providers who shall submit claims or resubmission of claims, within 180 days of the last day of the month in which the service was provided. The billing period for long-term care providers equals 1 month or the last date of the month in which the service was provided and for which the facility is billing.
  - (4) A claim which has been submitted to the Department not appearing within 45 days following that submission, should be resubmitted by the provider. Similarly, a claim which appears as a pend on a remittance advice and does not subsequently appear as an approved or rejected claim before the expiration of an additional 45 days should be resubmitted immediately by the provider.
- (c) *Invoice exception criteria.* Invoices submitted after the 180-day period will be rejected unless they meet the criteria established in paragraph (1) or (2).
  - (1) Eligibility determination was requested within 60 days of the date of service and the Department has received an invoice exception request from the provider within 60 days of receipt of the eligibility determination.
  - (2) Payment from a third party was requested within 60 days of the date of service and the Department has received an invoice exception request from the provider within 60 days of receipt of the statement from the third party.

- (d) *Other invoice exception requirements.* In addition to the requirements in subsection (c), the following requirements apply:
- (1) A provider shall submit invoice exception requests in writing to the Office of Medical Assistance Programs.
  - (2) Request for an invoice exception shall include supporting documentation, including documentation to and from the CAO or third party. A correctly completed invoice shall accompany the request.
  - (3) The Department may request additional documentation to justify approval of an exception. If the requested document is not received within 30 days from the date of the Department's request, a decision will be made based on available information.
  - (4) Invoice exceptions will be granted on a one time basis. Exception claims rejected through the claims processing system due to provider error will not be granted additional exceptions. Claims may be resubmitted directly to the claims processing system in accordance with subsection (b). The claim shall indicate the CRN of the exception claim on the invoice.
  - (5) No exceptions to the normal invoice processing deadlines will be granted other than under this section. In addition, if a provider's claim to the Department incurs a delay due to a third party or an eligibility determination, and the 180-day time frame has not elapsed, the provider shall still submit the claim through the normal claims processing system. A request for an exception to the 180-day time frame is not required whenever the provider can submit the claim within that 180-day period.
  - (6) No exceptions will be granted for claims which were submitted for normal processing within normal deadlines and rejected by the Department due to provider error.

Based on the testimony and documents submitted, I find that there was no evidence that the Department received an invoice for the dates of service at issue, from September 19, 2001 through October 19, 2001, within 180 days of those dates of service. One hundred-eighty (180) days from the last date of service of October 19, 2001 was April 17, 2002 and the first documented submission of an invoice by the Appellant was the one received by the Department on May 1, 2002, which is more than 180 days from the dates of service at issue.

The Appellant appears to be arguing that it met the invoice exception criteria relative to a request for an eligibility determination as set forth in 55 Pa. Code §1010.68 (c)(1). The Appellant indicated that it found out about eligibility on April 29, 2002 and submitted an invoice on May 1, 2002. However, the documentation submitted by the Appellant regarding MA eligibility were EVS slips stating that the Appellant verified eligibility on a certain day and that on that day, the recipient was ineligible.

I find, therefore, that since there was no invoice documented as being received by the Department within 180 days of the dates of service at issue and also since the Appellant did not meet the exception criteria contained in 55 Pa. Code §1101.68 (c) (1) or (2), the decision of the Department of Public Welfare to deny Appellant's Exception Request and to deny compensation for the services

rendered to the recipient from September 19, 2001 through October 19, 2001, was correct. Therefore, the Appellant's appeal should be denied.

A recommendation to the Chief Administrative Law Judge will be made consistent with these findings and conclusions.