

1 By Supervisor Alexander
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4 **A RESOLUTION**

5 urging the State of Wisconsin to draft and pass legislation placing a one-year
6 time limit on insurance companies seeking refunds from overpaid claims for
7 behavioral health services and extending legal filing times for behavioral health
8 providers to submit recoupment claims to insurance providers
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10 WHEREAS, the mission for the Milwaukee County Behavioral Health
11 Division (BHD) is for the empowerment and recovery of all people with behavioral
12 health needs in Milwaukee County; and
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14 WHEREAS, BHD's budget is presented in a programmatic format based on
15 service areas that consist of the following programs:
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- 17 Management/Support Services
- 18 Inpatient Services
 - 19 -Nursing Facility Services
 - 20 -Acute Adult/ Child Services
- 21 Adult Community Services
- 22 Child and Adolescent Community Services
- 23 Adult Crisis Services
- 24 AODA Services
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26 ; and
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28 WHEREAS, under this format, program costs consist of both direct
29 expenditures and allocated costs that are attributable to the operation of each
30 program; and
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32 WHEREAS, revenues for each program consist of charges directly
33 associated with the provision of services to patients and other operating
34 revenues that are not directly related to patient services; and
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36 WHEREAS, insurance companies cover some of the costs for services
37 provided for patients, and in turn, are reimbursed by BHD for services provided;
38 and
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40 WHEREAS, based on experience, within certain programmatic areas,
41 insurance companies have been submitting insurance recoupment claims to BHD
42 three to five years after BHD has reimbursed them, claiming that BHD was
43 charged a lower rate than it should have been; and
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45 WHEREAS; this creates many financial difficulties within the division in the
46 current year, as it is not anticipated; and
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48 WHEREAS, payment errors are subject to interpretation by the service
49 provider and insurance companies; and
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51 WHEREAS, this places an undue strain on BHD staff and resources to go
52 years back to recalculate patient accounts for possible errors and overpayments;
53 and
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55 WHEREAS, recoupment claims found to be valid cause perpetual billing
56 discrepancies when secondary and tertiary payers refuse to adjust their prior
57 underpayments in light of the recoupment, causing an incurable revenue
58 deficiency; and
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60 WHEREAS; more than twenty States currently have laws placing a time
61 limit for insurance companies seeking refunds for overpaid claims for behavioral
62 and health care services, as evidenced in the refund recoupment law summary
63 chart that is hereto attached to this file; and
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65 WHEREAS, it is reasonable and prudent that the State of Wisconsin draft
66 and adopt similar legislation placing a time limit on insurance companies seeking
67 refunds for overpaid claims for behavioral and health care services to alleviate
68 billing errors which drain valuable resources in such a critical service such as
69 behavioral and mental health care as well as extend filing times for behavioral
70 health providers to submit recoupment claims to insurance providers; now,
71 therefore,
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73 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby urges
74 the State of Wisconsin to draft and pass legislation placing a one-year time limit,
75 from the date the claim was initially paid, on insurance companies and health
76 care insurers seeking refunds for overpaid claims for behavioral health services;
77 and extending legal filing times for behavioral health providers to submit
78 recoupment claims to alternate insurance providers as evidence of the validity for
79 good faith payment adjustments; and

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81 BE IT FURTHER RESOLVED, that upon passage of this resolution, the
82 Milwaukee County Clerk is authorized and directed to send copies of this
83 resolution to the Governor of Wisconsin and the Milwaukee State Legislative
84 Delegation.