



Bureau of TennCare IS Policy Manual

Revised -- 01/24/2017

Policy No: BTC-Pol-Enc-200608-003	
Subject: Claims Paid With Zero Paid Amount	
Approval: Encounter Policy Workgroup	Date: 10/13/2006

PURPOSE: To clarify TennCare’s position regarding paid claims with zero in the paid amount field for all claim transactions.

BACKGROUND INFORMATION:

In the interest of receiving more consistent claim data TennCare has clarified the X12 and NCPDP specifications for reporting claim payment information. All payment information on all claims should be reported in a manner that is compliant with the guidelines provided in this document. TennCare requires complete payment information on all claims for all submitters.

TENNCARE POLICY:

Submitters shall not process or send TennCare claims with a paid status and a paid amount of zero at the header or detail level, except as provided below.

POLICY EXCEPTIONS:

The following claim scenarios can be processed by submitters and sent to TennCare with a paid status and a paid amount of zero, and shall be supported by the appropriate adjustment reason code or codes:

- Claims paid at zero dollars due to the provider being capitated
- Claims paid at zero dollars after the TPL processing
- Claims paid at zero dollars when the contracted rate with the provider is zero
- Details paid at zero dollars as part of a global fee payment at detail level only (The claim header may have a paid amount while some details on the claim are paid at zero. The

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header amounts and detail amounts must still balance as stated in Policy BTC-Pol-Enc-200608-006)

REFERENCE DOCUMENTS:

- HIPAA Implementation Guides – 837P, 837I, 837D, NCPDP 1.2, PAS 3.0.
- TennCare HIPAA Companion Guides
- Washington Publishing Company – Claim Adjustment Reason Codes

OFFICES OF PRIMARY RESPONSIBILITY:

- TennCare IS Division—to ensure that encounters are submitted to TennCare in the approved format
- Information Systems Management Contractor – to process encounters through the TCMIS system
- Submitters- to follow transaction requirements