



ADMINISTRATIVE POLICY STATEMENT

Michigan Health Link

Policy Name & Number	Date Effective
Trading Partners-MI Health Link-AD-1409	06/01/2024
Policy Type	
ADMINISTRATIVE	

Administrative Policy Statement prepared by CareSource and its affiliates 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 CareSource and its affiliates 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.

According to the rules of Mental Health Parity Addiction Equity Act (MHPAEA), coverage for the diagnosis and treatment of a behavioral health disorder will not be subject to any limitations that are less favorable than the limitations that apply to medical conditions as covered under this policy.

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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 who want 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** – Companies that function as intermediaries who directly transmit information to and from healthcare providers to insurance payers.
- **Direct Connections** – Direct electronic claims submissions to CareSource without the use of a clearinghouse/trading partner.
- **Electronic Data Interchange (EDI)** – 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 (eg,

