(a) The Secretary shall develop standards to be utilized uniformly by each managed care organization serving the state of Kansas pursuant to a contract with the Kansas medical assistance program for each of the following:

(1) Documentation to be provided to a health care provider by any managed care organization when it denies a claim for reimbursement submitted by such provider. Denial reason codes must be HIPAA compliant and MCOs must consistently apply denial reason codes in the same manner to ensure accurate reporting to the state.

(2) Documentation to be provided to a health care provider by any managed care organization when recoupments are made pursuant to a post pay audit of such provider, to include transparency of methodology used in the audit and a specific explanation of the reason for recoupment. ~~Health care~~ MCOs providers may not arbitrarily remove codes (ICD-10, CPT, DRG, etc.) submitted by the provider or change the level of care provided to reduce payment without using the proper appeal protections in place.

(b) The Secretary shall complete a quarterly review of claims denials and appeals to determine:

(1) If a high percentage of denials are overturned on appeal and if so, address the issue with the MCO(s)

(2) If a certain procedures or codes are denied more often than others, whether or not those denials were appropriate and address the issue with the MCO(s)