

We're making changes to our acute inpatient admission appeal process to align with CMS guidelines

Blue Cross Blue Shield of Michigan and Blue Care Network are preparing to discontinue the two-level acute inpatient admissions appeal process that is currently managed by Blue Cross and BCN Utilization Management and transition it to the five-level appeal process managed by our Appeals and Grievance Unit.

This change applies to appeals related to acute inpatient medical / surgical and behavioral health admissions for our Medicare Advantage (Medicare Plus Blue and BCN Advantage) members.

What's changing

Here's a summary of what will be different when this change occurs:

- Providers will no longer submit appeals for acute inpatient admissions to Blue Cross and BCN Utilization Management through the e-referral system. Instead, providers will submit these types of appeals to our Appeals and Grievance Unit by fax or by mail.
- Appeals will no longer be processed according to the two-level provider appeal process managed by Blue Cross and BCN Utilization Management. Instead, appeals will be processed according to the five-level member appeal process managed by our Appeals and Grievance Unit. The Appeals and Grievance Unit will process these requests using the time frames defined by the Centers for Medicare & Medicare Services.
- Providers will be able to submit appeals on behalf of the member for all acute inpatient admissions. This means the provider and member will have the same appeal rights for all denied inpatient admissions.

Why we're making this change

We're making this change to align with CMS guidelines. Earlier this year, CMS notified us about changes to the final rule that clarify the guidelines for processing inpatient provider and member appeals. These guidelines state that Medicare Advantage plans:

- Can no longer process inpatient provider appeals outside of their existing appeal process.
- Will be required to offer the provider and the member appeal rights for every acute inpatient admission denial.

How providers can prepare for this change

To prepare for this change, providers should be aware of the following dates:

- Blue Cross and BCN Utilization Management will continue processing Level Two appeals of denied inpatient admissions until **Nov. 29, 2025**. Providers should submit all Level Two appeals by this date.
- We'll continue processing Level One appeals for denied inpatient admissions following the current process until **Dec. 21, 2025**.
- Starting **Dec. 22, 2025**, all appeals related to acute inpatient admissions must be submitted to our Appeals and Grievance Unit. Consistent with 42 CFR § 422.562(c)(2), these appeals along with clinical documentation of the member's severity of illness and intensity services supporting the inpatient level of care will be treated as member appeals and will be processed according to the five-level member appeal process.

Additional information

Watch for additional information in upcoming newsletter articles.

We'll also update our provider manuals and related documents to reflect this change.

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