Number 6 *June 2006*

North Carolina Medicaid Bulletin

Visit DMA on the Web at: http://www.dhhs.state.nc.us/dma

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Providers are responsible for informing their billing agency of information in this bulletin.

Attention: All Providers

Applying for the National Provider Identifier

The Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires the adoption of a standard unique identifier for healthcare providers. The final rule for the National Provider Identifier (NPI) was issued on January 23, 2004, and adopts the NPI as this national standard.

Healthcare providers can apply now for their NPI at the following website: https://nppes.cms.hhs.gov. All HIPAA-covered physicians, suppliers, and other health care providers must apply for and be issued an NPI by **May 23, 2007**. In addition, all health plans must be able to accept the NPI instead of the plan specific provider identifiers on all HIPAA standard transactions by **May 23, 2007**. In other words, after this date claims submitted to Medicaid must be billed with your NPI number instead of your current Medicaid provider number.

ALERT: When applying for an NPI, you are urged to include all Medicaid provider numbers on the NPI application form. Be sure to indicate North Carolina as your state name. It is our understanding that at some point CMS will make enumeration information available to states. At that time, this information will assist DMA in the development of crosswalks between your NPI and your Medicaid provider numbers.

The Division of Medical Assistance has initiated its NPI project. Please look for future bulletins regarding procedures for gathering NPIs and taxonomies.

EDS, 1-800-688-6696 or 919-851-8888

Attention: All Providers

Clarification for Completing the W-9

The Medicaid provider enrollment process includes the completion of the Internal Revenue Service's (IRS) W-9 form. The Division of Medical Assistance (DMA) must collect this information in order to correctly report income paid to the provider. The W-9 form is retained by DMA and is not sent to the IRS. The instructions that the IRS provides with the W-9 form explain that payments you receive may be subject to backup withholding if you do not report your correct tax identification number (TIN). The instructions further explain the TIN provided must match the name given on Line 1. Failure to provide your correct TIN may result in a penalty. (The W-9 form and instructions for completing the form are available at http://www.irs.gov.)

Some individual providers who are also associated with a group practice submitted their W-9 with the group's TIN listed instead of their SSN. Now that DMA is aware of this issue, the IRS instructions and guidelines for completion of the W-9 form will be followed. Providers who have supplied incorrect TINs in the past may correct their W-9 at any time by completing a Provider Change Form and attaching a corrected W-9. The Provider Change Form can be located at http://www.dhhs.state.nc.us/dma/Forms/changeprovstatus.pdf.

Earnings reported on the 1099 form are based on the provider number entered on the claim form. If incorrect earnings are reported it may be because claims are incorrectly filed without the group number, which results in income being reported to the individual (attending) provider number entered on the claim. Incorrect earnings are NOT reported based on the W-9. It is important that all providers carefully review the Financial Section of Remittance and Status Report (RA) to verify that the claim is submitted properly and income is reported to the correct TIN.

Provider Services
DMA, 919-855-4050

Attention: All Providers

Clinical Coverage Policies

The following new or amended clinical coverage policies are now available on the Division of Medical Assistance's Web site at http://www.dhhs.state.nc.us/dma/mp/mpindex.htm:

7 – Hearing Aid Services
8D-2 – Residential Treatment Services
9 – Outpatient Pharmacy Program
10B – Independent Practitioners
10C – Local Education Agencies

These policies supersede previously published policies and procedures. Providers may contact EDS at 1-800-688-6696 or 919-851-8888 with billing questions.

Clinical Policy and Programs
DMA, 919-855-4260

Attention: Adult Care Home Providers

Medicaid Payments for Recipients Residing in an Adult Care Home Special Care Unit for Persons with Alzheimer's and Related Disorders

Session Law 2005-276, passed during the 2004–2005 legislative session, provided additional funding for special care units for persons with Alzheimer's and related disorders located in adult care homes (SCU-A). As part of that legislation, effective October 1, 2005, an enhanced state and county special assistance rate became available to cover an increased room and board charge in a SCU-A.

The legislation also requires the N.C. Medicaid program to implement an enhanced personal care service rate for Medicaid recipients in the SCU-A. Effective with date of service October 1, 2006, the N.C. Medicaid program will implement this SCU-A, enhanced personal care service rate. Providers must obtain prior approval from Medicaid before admitting a Medicaid resident to a SCU-A and receiving this new enhanced rate. The prior approval process will be explained in an article in the July 2006 general Medicaid bulletin.

Clinical Policy and Programs
DMA, 919-855-4360

Attention: CAP/DA Lead Agencies and AQUIP Users

Quarterly Automated Quality Utilization and Improvement Program Training Seminar

The second quarterly Automated Quality Utilization and Improvement Program (AQUIP) training seminar for new AQUIP users in a CAP/DA Lead Agency is scheduled for June 27, 2006, at the Hilton Charlotte University Place.

Attendance at this meeting is of the utmost importance for new AQUIP users. CAP/DA lead agency contacts have been informed via e-mail of any identified new AQUIP users in their counties who should attend this session. Any current AQUIP users who would like to attend the session may do so if space permits.

The AQUIP seminar is scheduled to begin at 9:00 a.m. (registration 8:30 to 9:00 a.m.) and end at 4:00 p.m. The morning session will focus on how to accurately complete the Client Information Sheet, Data Set Assessment, and Plan of Care. After a break for lunch (on your own), the afternoon session will address the system overview and use.

Preregistration is required. Contact your CAP/DA lead agency to verify if your name is on the required attendance list. You may register for the seminar online by going to https://www2.mrnc.org/aquip and clicking on Registrations. You will receive a computer-generated confirmation number, which you should bring to the seminar.

Driving Directions

Hilton Charlotte University Place—Charlotte

Exit from I-85 North or South at exit 45A, W.T. Harris Boulevard East. Hilton Charlotte University Place is 0.25 mile on the left in the University Place complex. The hotel is the high-rise building in the complex, totally visible from Harris Boulevard. The left turn at J.M. Keynes Drive goes directly into the hotel parking lot.

Facility and Community Care
DMA, 919-855-4360

Attention: All Dental Providers Including Health Department Dental Clinics

Dental Rate Change

Effective with dates of service October 1, 2005, reimbursement rates for the following dental procedures were increased. The rate changes were entered into the MMIS system on May 5, 2006; therefore, claims processed after this date will pay with these new rates**. Claims that processed prior to May 5, 2006, will be automatically reprocessed through system adjustments to pay the additional reimbursement.** Providers will be notified through the general Medicaid bulletin and/or a banner message on the remittance advice regarding the scheduled date for system adjustments. **No adjustments will be accepted from providers for these dental rate changes.** Providers are reminded to bill their usual and customary charges rather than the Medicaid rate**.**

CDT 2005 Code	Description	Reimbursement Rate
D0250	Extraoral – first film	16.81
D0260	Extraoral – each additional film	13.94
D0270	Bitewing – single film	8.20
D0290	Posterior-anterior or lateral skull and facial bone survey film	34.85
D0310	Sialography	68.88
D0320	Temporomandibular joint arthrogram, including injection	153.75
D0340	Cephalometric film	36.90
D0473	Accession of tissue, gross and microscopic examination, preparation and transmission of written report	33.62
D2390	Resin-based composite crown, anterior	123.82
D2931	Prefabricated stainless steel crown–permanent tooth	146.25
D2940	Sedative filling	31.98
D2950	Core buildup, including any pins	78.31
D3310	Anterior (excluding final restoration)	204.18
D3410	Apicoectomy/periradicular surgery – anterior	233.50
D4210	Gingivectomy or gingivoplasty – four or more contiguous teeth or bounded teeth spaces, per quadrant	223.00
D4211	Gingivectomy or gingivoplasty – one to three teeth contiguous teeth or bounded teeth spaces per quadrant	80.00
D4240	Gingival flap procedure, including root planing – four or more contiguous teeth or bounded teeth spaces, per quadrant	260.00
D4241	Gingival flap procedure, including root planing – one to three teeth, per quadrant	217.50
D4342	Periodontal scaling and root planing – one to three teeth per quadrant	42.64
D4910	Periodontal maintenance	48.50
D5110	Complete denture – maxillary	461.25
D5120	Complete denture – mandibular	461.25
D5130	Immediate denture – maxillary	500.20
D5140	Immediate denture – mandibular	500.20
D5211	Maxillary partial denture – resin base (including any conventional clasps, rests, and teeth)	357.00
D5212	Mandibular partial denture – resin base (including any conventional clasps, rests, and teeth)	357.00
D5213	Maxillary partial denture–cast metal framework with resin denture bases (including any conventional clasps, rests, and teeth)	504.00

CDT 2005 Code	Description	Reimbursement Rate
D5214	Mandibular partial denture–cast metal framework with resin denture bases (including any conventional clasps, rests, and teeth)	504.00
D5410	Adjust complete denture – maxillary	25.42
D5411	Adjust complete denture–mandibular	25.42
D5421	Adjust partial denture – maxillary	25.42
D5422	Adjust partial denture – mandibular	25.42
D5520	Replace missing or broken teeth – complete denture (each tooth)	62.50
D5620	Repair cast framework	100.00
D5640	Replace broken teeth – per tooth	62.50
D5650	Add tooth to existing partial denture	76.50
D5730	Reline complete maxillary denture (chairside)	107.83
D5731	Reline complete mandibular denture (chairside)	107.83
D5740	Reline maxillary partial denture (chairside)	105.37
D5741	Reline mandibular partial denture (chairside)	105.37
D5750	Reline complete maxillary denture (laboratory)	139.40
D5751	Reline complete mandibular denture (laboratory)	139.40
D5760	Reline maxillary partial denture (laboratory)	137.35
D5761	Reline mandibular partial denture (laboratory)	137.35
D6985	Pediatric partial denture, fixed	282.90
D7210	Surgical removal of erupted tooth requiring elevation of mucoperiosteal flap and removal of bone and/or section of tooth	78.72
D7220	Removal of impacted tooth – soft tissue	92.25
D7240	Removal of impacted tooth–completely bony	157.50
D7241	Removal of impacted tooth–completely bony, with unusual surgical complications	165.23
D7250	Surgical removal of residual tooth roots (cutting procedure)	86.10
D7270	Tooth reimplantation and/or stabilization of accidentally evulsed or displaced tooth	187.50
D7283	Placement of device to facilitate eruption of impacted tooth	158.67
D7285	Biopsy of oral tissue – hard (bone, tooth)	130.00
D7310	Alveoloplasty in conjunction with extractions–per quadrant	82.00
D7320	Alveoloplasty not in conjunction with extractions – per quadrant	147.50
D7411	Excision of benign lesion greater than 1.25 cm	205.00
D7412	Excision of benign lesion, complicated	257.00
D7413	Excision of malignant lesion up to 1.25 cm	234.00
D7414	Excision of malignant lesion greater than 1.25 cm	308.00
D7415	Excision of malignant lesion, complicated	375.00
D7440	Excision of malignant tumor – lesion diameter up to 1.25 cm	189.00
D7441	Excision of malignant tumor – lesion diameter greater than 1.25 cm	350.00
D7472	Removal of torus palatinus	256.50
D7473	Removal of torus mandibularis	250.00
D7490	Radical resection of maxilla or mandible	2,511.25
D7530	Removal of foreign body from mucosa, skin, or subcutaneous alveolar tissue	101.27
D7560	Maxillary sinusotomy for removal of tooth fragment or foreign body	308.32
D7610	Maxilla–open reduction (teeth immobilized, if present)	1,229.18
D7620	Maxilla–closed reduction (teeth immobilized, if present)	940.95
D7630	Mandible–open reduction (teeth immobilized, if present)	1,213.19
D7640	Mandible–closed reduction (teeth immobilized, if present)	906.10
D7650	Malar and/or zygomatic arch–open reduction	1,154.15

CDT 2005 Code	Description	Reimbursement Rate
D7660	Malar and/or zygomatic arch–closed reduction	852.80
D7670	Alveolus – closed reduction, may include stabilization of teeth	338.66
D7680	Facial bones – complicated reduction with fixation and multiple surgical approaches	1,854.84
D7710	Maxilla–open reduction	1,337.83
D7720	Maxilla–closed reduction	902.00
D7730	Mandible–open reduction	1,328.40
D7740	Mandible–closed reduction	990.56
D7750	Malar and/or zygomatic arch – open reduction	1,224.67
D7760	Malar and/or zygomatic arch–closed reduction	1,116.02
D7770	Alveolus – open reduction stabilization of teeth	686.75
D7780	Facial bones – complicated reduction with fixation and multiple surgical approaches	2,304.20
D7810	Open reduction of dislocation	1,180.39
D7820	Closed reduction of dislocation	146.37
D7840	Condylectomy	1,575.63
D7850	Surgical discectomy, with/without implant	1,586.70
D7858	Joint reconstruction	1,401.15
D7860	Arthrotomy	624.65
D7870	Arthrocentesis	72.98
D7872	Arthroscopy – diagnosis, with or without biopsy	485.84
D7873	Arthroscopy – surgical: lavage and lysis of adhesions	578.26
D7920	Skin grafts (identify defect covered, location and type of graft)	666.66
D7940	Osteoplasty – for orthognathic deformities	953.66
D7941	Osteotomy – mandibular rami	2,690.42
D7943	Osteotomy – mandibular rami with bone graft; includes obtaining the graft	2,453.03
D7944	Osteotomy – segmented or subapical – per sextant or quadrant	2,071.32
D7945	Osteotomy – body of mandible	2,114.78
D7946	LeFort I (maxilla – total)	2,525.60
D7947	LeFort I (maxilla – segmented)	2,522.73
D7948	LeFort II or LeFort III (osteoplasty of facial bones for midface hypoplasia or retrusion) – without bone graft	2,922.48
D7949	LeFort II or LeFort III – with bone graft	3,509.60
D7963	Frenuloplasty	282.08
D7972	Surgical reduction of fibrous tuberosity	188.60
D7981	Excision of salivary gland, by report	564.01
D7982	Sialodochoplasty	459.20
D7990	Emergency tracheotomy	356.70
D7991	Coronoidectomy	1,173.42
D8670	Periodic orthodontic treatment visit (as part of contract)	76.68
D9110	Palliative (emergency) treatment of dental pain – minor procedure	34.85
D9221	Deep sedation/general anesthesia–each additional 15 minutes	45.92
D9241	Intravenous conscious sedation/analgesia–first 30 minutes	115.62
D9242	Intravenous conscious sedation/analgesia–each additional 15 minutes	41.00
D9410	House/extended care facility call	61.50
D9440	Office visit–after regularly scheduled hours	42.64
D9610	Therapeutic drug injection, by report	25.83

Effective with dates of service July 1, 2006, reimbursement rates for the following dental procedures will be changed:

CDT 2005 Code	Description	Reimbursement Rate
D1510	Space maintainer – fixed – unilateral	200.00
D1515	Space maintainer–fixed–bilateral	280.00
D7450	Removal of benign odontogenic cyst or tumor–lesion diameter up to 1.25 cm	169.00
D7451	Removal of benign odontogenic cyst or tumor–lesion diameter greater than 1.25 cm	225.00
D7460	Removal of benign nonodontogenic cyst or tumor – lesion diameter greater than 1.25 cm	247.50
D7510	Incision and drainage of abscess–intraoral soft tissue	116.25
D7520	Incision and drainage of abscess–extraoral soft tissue	250.00
D7550	Partial ostectomy/sequestrectomy for removal of non-vital bone	319.00
D7971	Excision of pericoronal gingiva	160.00

For current pricing on these and all dental codes, refer to DMA's Website at http://www.dhhs.state.nc.us/dma/fee/fee.htm. For coverage criteria and additional billing guidelines, please refer to *Clinical Coverage Policy 4A, Dental Services*, on DMA's Website at http://www.dhhs.state.nc.us/dma/dental/1dental.pdf.

Dental Program
DMA, 919-855-4280

Attention: Hospitals, Nursing Facilities, Hospice, Dept. of Social Services, Physicians, Home Health Agencies, Health Departments, Federally Qualified Health Centers (FQHCs), and Rural Health Centers (RHCs)

Preadmission Screening and Annual Resident Review (PASARR) Seminars

Seminars for the PASARR program are scheduled for June and July 2006. The seminars are designed to educate providers on the changes to procedures for processing PASARR.

Preregistration for this seminar is required. Providers register for the seminar by completing and submitting the registration form below or by registering online beginning June 1st at http://www.dhhs.state.nc.us/dma/prov.htm. A confirmation notice will be mailed to each registered participant. **The deadline for registration is the date of each seminar.**

The seminars begin at 10:00 am. and end at 1:00 p.m. Providers should arrive at least 30 minutes early to complete the registration process. Lunch will not be served.

Providers must print a copy of the Special Bulletin, *PASARR Program and Training* from the DMA website, http://www.dhhs.state.nc.us/dma/bulletin.htm, and bring it to the seminar.

Dates and Locations:

Wednesday, June 7, 2006 Blue Ridge Community College Bo Thomas Auditorium College Drive Flat Rock, NC	**Wednesday, June 14, 2006** Holiday Inn Conference Center 530 Jake Alexander Boulevard South Salisbury, NC	**Wednesday, July 12, 2006** Coastline Convention Center 501 Nutt Street Wilmington, NC
Wednesday, June 21, 2006 Jane S. McKimmon Center 1101 Gorman Street Raleigh, NC	**Wednesday, June 28, 2006** Greenville Hilton 207 SW Greenville Boulevard Greenville, NC	

Medicaid PASARR Seminar
Registration Form (No Fee)

Provider Name _____ Provider Number _____

Address _____

City, Zip Code _____ County _____

E-mail Address _____

Telephone Number (____) _____ Fax Number (____) _____

I will attend the seminar in _____(location) on _____(date)

Return to: **Prior Approval**
EDS
P.O. Box 300009
Raleigh, NC 27622
Fax: (919) 851-4014

Directions:

Flat Rock- Bo Thomas Auditorium
Take I-40 to Asheville. Travel east on I-26 to exit 53, Upward Rd. Turn right and end of ramp. At second light, turn right onto S. Allen Drive. Turn left at sign onto College Drive. First building on right is the Sink Building. Bo Thomas Auditorium is on the left side of the Sink Building.

Salisbury- Holiday Inn
Traveling South on I-85
Take exit 75. Turn right onto Jake Alexander Boulevard. Travel approximately ½ mile. The Holiday Inn is located on the right.

Traveling North on I-85
Take exit 75. Turn left onto Jake Alexander Boulevard. Travel approximately ½ mile. The Holiday Inn is located on the right.

Raleigh- McKimmon Center
Traveling East on I-40
Take exit 295 and turn left onto Gorman Street. Travel approximately 2½ miles. The McKimmon Center is located on the right at the corner of Gorman Street and Western Boulevard.

Traveling West on I-40
Take exit 295 and turn right onto Gorman Street. Travel approximately 2½ miles. The McKimmon Center is located on the right at the corner of Gorman Street and Western Boulevard.

Greenville- Hilton Hotel
Take Highway 264 east to Greenville. Turn right onto Allen Road in Greenville. Travel approximately 2 miles. Allen Road becomes Greenville Boulevard/Alternate 264. Follow Greenville Boulevard for 2½ miles to the Hilton Greenville, which is located on the right.

Wilmington- Coast Line Convention Center
Take I-40 east to Wilmington. Turn right onto Martin Luther King, Jr., Parkway (U.S. 74 West). Follow signs for downtown Wilmington; the Parkway becomes Third Street. At first light on Third Street, turn right on Red Cross Street. Travel two blocks on Red Cross and turn right onto Nutt Street. Take the second driveway on the left into the Hotel and Convention Center.

Attention: Pharmacists and Prescribers

Outpatient Pharmacy Program Special Bulletin

Effective May 16, 2006, the Outpatient Pharmacy Program Special Bulletin was updated. This special bulletin supersedes previously published policies and procedures. For your convenience, highlighting in the bulletin will indicate all new information.

The most significant change is a new telephone number of 1-800-688-6696 or 919-851-8888 to call when requesting changes to pharmacy lock-in providers or when identifying new recipients who are restricted to a single pharmacy and managed through the Medication Management Program. Specialty providers will also have to call this number to register with EDS to be added to the recipient's lock-in file.

Providers may access the May 2006 Special Bulletin, Outpatient Pharmacy Program Special Bulletin from DMA's website at http://www/dhhs.state.nc.us/dma/bulletin.htm. Providers should contact EDS with any billing questions.

EDS, 1-800-688-6696 or 919-851-8888

Attention: Physicians and Nurse Practitioners

Daptomycin Injection, 1 mg, (Cubicin, J0878) – Billing Guidelines

The following article is reprinted from the May bulletin because Cubicin was incorrectly coded.
Daptomycin Injection, 1 mg (Cubicin, J0878) - Billing Guidelines
Effective with date of service January 1, 2006, the N.C. Medicaid program covers daptomycin for injection (Cubicin) for use in the Physician's Drug Program, when billed with HCPCS code J0878. Cubicin is an antibacterial agent of a new class of antibiotics, the cyclic lipopeptides. The FDA approved indication for Cubicin is the treatment of **complicated skin and skin structure infections** caused by susceptible strains of the following Gram-positive microorganisms:

- *Staphylococcus aureus* (including methicillin-resistant strains)
- *Streptococcus pyogenes*
- *Streptococcus agalactiae*
- *Streptococcus dysgalactiae* subsp. e*quisimilis*
- *Enterococcus faecalis* (vancomycin-susceptible strains only)

Combination therapy may be clinically indicated if the documented or presumed pathogens include Gram-negative or anaerobic organisms. **Cubicin is not recommended for the treatment of pneumonia.**

The FDA indicates that the usual adult dose is 4 mg/kg administered over a 30-minute period by IV infusion in 0.9% sodium chloride injection once every 24 hours for 7-14 days. Doses of Cubicin higher than 4 mg/kg/day have not been studied in Phase 3 controlled clinical trials. Cubicin should not be dosed more frequently than once a day.
One of the following ICD-9-CM **diagnosis codes** is **required** when billing for Cubicin**:**

035	373.13	376.01	380.10 through 380.16
528.5	608.4	616.4	680.0 through 680.9
681.0 through 681.9	682.0 through 682.9	685.0	686.00 through 686.09
686.1 through 686.9			

Billing Requirements:

- Use the CMS-1500 claim form.
- Enter the appropriate ICD-9-CM diagnosis code in block 21.
- Enter the date of service in block 24A.
- Enter the place of service in block 24B.
- Enter HCPCS code J0878 in block 24D.
- Enter the usual and customary charge in block 24F.
- Enter the units given in block 24G (1mg = 1 unit).

Example

21 Diagnosis	**24A Date(s) of Service**	**24B Place of Service**	**24D Procedures, Services or Supplies**	**24F Charges**	**24G Days or Units**
035	02012006	11	J0878	$	

For Medicaid billing, one unit of coverage is 1 mg. The maximum reimbursement rate per unit is $0.29. The fee schedule for the Physician's Drug Program is available on DMA's web site at http://www.dhhs.state.nc.us/dma/fee/fee.htm.

EDS, 1-800-688-6696 or 919-851-8888

NCLeads Update

Information related to the implementation of the new Medicaid Management Information System, *NCLeads*, can be found online at http://ncleads.dhhs.state.nc.us. Please refer to this web site for information, updates, and contact information related to the *NCLeads* system.

NCLeads Provider Relations
Office of MMIS Services
919-647-8315

Proposed Clinical Coverage Policies

In accordance with Session Law 2005-276, proposed new or amended Medicaid clinical coverage policies are available for review and comment on DMA's website at http://www.dhhs.state.nc.us/dma/prov.htm. To submit a comment related to a policy, refer to the instructions on the website. Providers without Internet access can submit written comments to the address listed below.

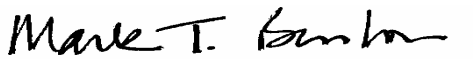
Gina Rutherford
Division of Medical Assistance
Clinical Policy Section
2501 Mail Service Center
Raleigh, NC 27699-2501

The initial comment period for each proposed policy is 45 days. An additional 15-day comment period will follow if a proposed policy is revised as a result of the initial comment period.

2006 Checkwrite Schedule

Month	Electronic Cut-Off Date	Checkwrite Date
June	06/02/06	06/06/06
	06/09/06	06/13/06
	06/16/06	06/22/06
July	06/30/06	07/06/06
	07/07/06	07/11/06
	07/14/06	07/18/06
	07/21/06	07/27/06
August	08/04/06	08/08/06
	08/11/06	08/15/06
	08/18/06	08/22/06
	08/25/06	08/30/06

Electronic claims must be transmitted and completed by 5:00 p.m. on the cut-off date to be included in the next checkwrite. Any claims transmitted after 5:00 p.m. will be processed on the second checkwrite following the transmission date.



Mark T. Benton, Senior Deputy Director
and Chief Operating Officer
Division of Medical Assistance
Department of Health and Human Services

Cheryll Collier
Executive Director
EDS