



North Carolina Medicaid Bulletin

*An Information Service of the Division of Medical Assistance
Published by EDS, fiscal agent for the North Carolina Medicaid Program*

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.

Bold, italicized material is excerpted from the American Medical Association Current Procedural Terminology (CPT) Codes. Descriptions and other data only are copyrighted 2001 American Medical Association. All rights reserved.

Attention: All Providers

Proposed Medical Coverage Policies

In accordance with Session Law 2001-424, Senate Bill 1005, proposed new or amended Medicaid medical 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.

Darlene Cagle
Medical Policy Section
Division of Medical Assistance
2511 Mail Service Center
Raleigh, NC 27699-2511

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.

**Darlene Cagle, Medical Policy Section
DMA, 919-857-4020**

Attention: All Providers

Health Insurance Portability and Accountability Act Update

The N.C. Medicaid program plans to implement the following HIPAA-related transactions in October 2002:

- 834 transaction (Benefit Enrollment and Maintenance-MCO Enrollment)
- 278 transaction (Health Care Services Review and Response-Prior Approval)
- 270 and 271 (Health Care Eligibility Benefit Inquiry and Response)

Please contact the Electronic Commerce Services (ECS) Unit at EDS for certification information by calling 1-800-688-6696 or 919-851-8888. Once certification information is on file with N.C. Medicaid, providers will have the capability to begin submitting and receiving the HIPAA-compliant transactions listed above, beginning in October 2002.

For information regarding third party certification, please refer to the WEDI/SNIP Testing and Certification white paper at <http://snip.wedi.org>. Additional information on third party certification, remaining transaction implementation and testing dates, and transaction companion guides will be provided on DMA's website at <http://www.dhhs.state.nc.us/dma>.

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

Attention: All Providers

Modifier YT

Modifier YT, radiation therapy, one or two fractions beyond a multiple of five fractions, has been end-dated with date of service October 1, 2002. There is no additional payment for one or two fractions exceeding a multiple of five because payment for these services is included in the payments that have already been made.

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

Attention: All Providers

Paper Claim Submissions

In an effort to decrease the number of denials that providers receive due to keying errors on paper claims, EDS is requesting that providers submit only the original paper claim instead of a copy of the claim.

When completing the paper claim form, use black ink only. Do not submit carbon copies or photocopies. EDS uses optical scanning technology to store an electronic image of the claim and the scanners cannot detect carbon copies, photocopies or any color of ink other than black. For auditing purposes, all claim information must be visible in an archive copy. Carbon copies, photocopies, and claims containing a color of ink other than black will not be processed and will be returned to the provider.

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

Attention: All Providers

Revised Medicaid Claim Adjustment Request Form

The Medicaid Claim Adjustment Request form has been revised. The revision of the “EDS Use Only” field was necessary to accommodate placement and scanning of the internal claim number (ICN) that is assigned when processing adjustments. Please begin using this revised form when submitting claim adjustments. A copy of the revised Medicaid Claim Adjustment Request form is available on page 4 of this bulletin or on DMA’s website at <http://www.dhhs.state.nc.us/dma>. Providers may contact EDS Provider Services with questions about processing adjustment requests.

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

MEDICAID CLAIM ADJUSTMENT REQUEST

(This form is not to be used for claim inquiries or time limit overrides.)

PLEASE COMPLETE THIS FORM IN BLUE OR BLACK INK ONLY

MAIL TO:

EDS ADJUSTMENT UNIT
 PO BOX _____(PAYER SPECIFIC)
 RALEIGH, NC 27622

**A CORRECTED CLAIM
 AND THE APPROPRIATE
 RA MUST BE ATTACHED**

EDS USE ONLY

 One Step: _____

Provider #: _____ Provider Name: _____
 Recipient Name: _____ MID#: _____

**SUBMIT A COPY OF THE
RA WITH REQUEST**

Claim #:

Date From: ____/____/____ Billed Amount: Paid Amount: RA Date: ____/____/____
 Of Service: To: ____/____/____ \$_____ \$_____

Please check (✓) reason for submitting the adjustment request:

- Over Payment Under Payment Full Recoupment Other

Please check (✓) changes or corrections to be made:

- | | | |
|--|---|---|
| <input type="checkbox"/> Units | <input type="checkbox"/> Procedure/Diagnosis Code | <input type="checkbox"/> Billed Amount |
| <input type="checkbox"/> Dates of Service | <input type="checkbox"/> Patient Liability | <input type="checkbox"/> Further Medical Review |
| <input type="checkbox"/> Third Party Liability | <input type="checkbox"/> Medicare Adjustments | <input type="checkbox"/> Other |

EDS USE ONLY

Do not write in this box

Please Specify Reason for Adjustment Request:

Signature Of Sender: _____ Date: ____/____/____ Phone #: (____) ____-____

EDS INTERNAL USE ONLY

Clerk ID#: _____ Sent to: _____ Date sent: ____/____/____

Reason for review: _____

Reviewed by: _____ Date reviewed: ____/____/____

Outcome of review: _____

Date received back in the Adjustment Department: ____/____/____

Attention: All Providers

Provider Information Update

The N.C. Medicaid program is updating provider files to include a fax number and e-mail address. These two methods of communication will complement the already existing methods of communication and provide a quick avenue for providers to receive information. Because only one e-mail address and one fax number can be entered for a provider number, please submit the most appropriate information for the provider number given. Please complete and return the following form to EDS Provider Enrollment at the address listed below.

To report a change of ownership, name, address, tax identification number changes, group member, or licensure status, please use the Notification of Change in Provider Status form. Managed Care providers (Carolina ACCESS, ACCESS II, ACCESS III, and HMO Risk Contracting) must also report changes in daytime or after-hours phone numbers and should report changes using the Carolina ACCESS Provider Information Change form.

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

Provider Update Form

Date _____

Provider Number: _____

Provider Name: _____

Address: Street _____

City _____

State Zip Code _____

Contact Person: _____

Phone Number: () _____

Fax Number: () _____

E-Mail address: _____

Return completed form to:

EDS Provider Enrollment
PO Box 300009
Raleigh, NC 27622

Fax: 919-851-4014

Attention: Health Departments

Refugee Health Assessment Billing Guidelines

When billing for refugee health assessments for eligible recipients under the age of 21, please follow the Health Check billing guidelines published in the July 2002 Special Bulletin III. All components of a Health Check screening should be completed in addition to the requirements for the refugee assessment. List V70.5 as the secondary diagnosis. Refer to the *Refugee Health Assessments Provided in Health Departments* section of the August 2002 Special Bulletin IV, *HIPAA Code Conversion*, for information on billing additional laboratory procedures required for a refugee health assessment. Detailed information concerning refugee health assessment requirements can be obtained from the N.C. Refugee Health Program.

**Suzanna Young, N.C. Refugee Health Program
DPH, 919-715-3119**

Attention: Maternal and Child Service Providers

Clarification of V Code Usage

The ICD-9-CM provides a category of V codes (V01 through V82) to allow for factors influencing health status and contact with health services for circumstances other than disease or injury (001 through 999) to be recorded as “diagnoses” or “problems.”

Effective with date of service October 1, 2002, diagnosis code V71.9, observation of unspecified suspected condition, cannot be used when submitting claims for maternal and child services. Providers must select the most appropriate V code from the diagnosis codes listed in the billing guidelines sections of the August 2002 Special Bulletin IV, *HIPAA Code Conversion*, for the following maternal and child services:

- Maternity Care Coordination
- Childbirth Education
- Maternal Care Skilled Nurse Home Visit
- Home Visit for Postnatal Assessment and Follow-up Care
- Home Visit for Newborn Care and Assessment
- Health and Behavior Intervention
- Child Service Coordination
- Maternal Outreach Worker Services

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

Attention: Health Departments

TB Control and Treatment Provided in Health Departments – Eligible Health Department Providers

This article updates the provider qualifications listed in the *TB Control and Treatment Provided in Health Departments* section of the August 2002 Special Bulletin IV, *HIPAA Code Conversion*, for public health nurses. Public health nurses (RNs) in agencies where the public health nurse (RN) responsible for the TB Control Program has completed the *Introduction to Tuberculosis Management* course are eligible to provide TB control and treatment services.

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

Attention: Providers Qualified to Determine Presumptive Eligibility for Pregnant Woman

Presumptive Eligibility Determinations for Pregnant Women

Effective October 1, 2002, a provision in the State budget changes the way eligibility for pregnant women is determined. The income of the parents must be considered when determining the Medicaid eligibility of a pregnant woman under age 21 who lives with her parents, has not been married, has not served in the military or has not been legally emancipated. This is true for presumptive Medicaid eligibility determinations as well as for regular Medicaid eligibility determinations.

Beginning October 1, 2002, when making a presumptive Medicaid eligibility determination for a pregnant woman who is under the age of 21, inquire if she lives with her parents. If the answer is yes, ask if she has been married, has served in the military or has been legally emancipated. If the answer to all is no, count her parents' income. If she has been married, has served in the military or has been legally emancipated, do not count her parents' income.

If you count the parents' income, the total number of family members, which is used to determine the income limit to apply, includes the parents and any of their children under the age of 21 who live in the home, have not been married, have not served in the military or have not been legally emancipated. Include this information on the DMA-5032. The form and the instructions for determining presumptive eligibility will be revised to reflect this change.

**Medicaid Eligibility Unit
DMA, 919-857-4019**

Attention: Hospitals

Billing Instructions for Revenue Code 636

Effective with date of service August 1, 2002, when submitting a claim for Ganciclovir, 4.5 mg, revenue code (RC) 636 must be entered in form locator 42 and HCPCS procedure code J7310 must be entered in form locator 44 on the UB-92 claim form. HCPCS procedure code J7310 is the only code billable with RC 636. Claims and adjustments submitted with RC 636 without J7310 will be denied.

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

Attention: Home Health Agencies, Private Duty Nursing Providers, and Community Alternatives Program Case Managers

Home Health Supplies – Reimbursement Rate Corrections

The maximum reimbursement rate for HCPCS procedure code A4554, disposable underpads, all sizes (e.g., Chux's), was listed incorrectly in the August 2002 general Medicaid bulletin as \$5.71. HCPCS code W4618, which allowed providers to bill for underpads per package was end-dated, effective September 30, 2002. The correct rate for HCPCS code A4554 is \$.55 per pad.

The maximum reimbursement rate for HCPCS code A6216, gauze, non-impregnated, non-sterile, pad size 16 sq. in. or less, without adhesive border, each dressing, was also listed incorrectly as \$4.07. The correct rate is \$.05 per dressing.

Providers must bill their usual and customary charges.

**Dot Ling, Medical Policy Section
DMA, 919-857-4021**

Attention: Hospitals and Lower-Level Care Providers

DRG Pricing Modification for Transferring Patients

In order to align with Medicare guidelines, the N.C. Medicaid program has made modifications to the current Diagnosis Related Grouping (DRG) calculation for the transfer of a patient between facilities. If a patient is discharged from an acute care hospital to a post-acute care facility such as another hospital facility or a nursing facility or for services rendered by a home health agency for any 1 of 10 specified DRG codes below, the discharge will be treated as a qualified discharge. The following 10 DRG codes will be impacted:

DRG	Description
014	Specific Cerebrovascular Disorders Except Transient Ischemic Attack
113	Amputation for Circulatory System Disorders Excluding Upper Limb and Toe
209	Major Joint Reattachment Procedures of Lower Extremity
210	Hip and Femur Procedures Except Major Joint Age > 17 With Complications and Comorbidities (CC)
211	Hip and Femur Procedures Except Major Joint Age > 17 Without CC
236	Fractures of Hip and Pelvis
263	Skin Graft and/or Debridement for Skin Ulcer or Cellulitis With CC
264	Skin Graft and/or Debridement for Skin Ulcer or Cellulitis Without CC
429	Organic Disturbances and Mental Retardation
483	Tracheostomy Except for Face, Mouth, and Neck Diagnosis

All of these DRG codes will pay according to DRG calculations with the exception of DRG 429, which will process as an inpatient psychiatric claim and will be paid based on a per diem rather than DRG.

Providers must submit claims using the appropriate discharge/transfer status code. Reimbursement for early discharge/transfer will be prorated for the following patient discharge status codes:

Code	Description
03	Discharged/transferred to SNF.
05	Discharged/transferred to another type of institution for inpatient care.
06	Discharged/transferred to home under care of organized home health service.
61	Discharged/transferred within this institution to a hospital-based, Medicare-approved swing bed.

When the discharging/transferring facility submits a claim, the prorated payment will be calculated according to the following formula:

$$\text{DRG Payment/Average Length of Stay} = \text{DRG Per Diem}$$

$$\text{DRG Per Diem} \times \text{Actual Length of Stay (ALOS)} = \text{Prorated DRG Payment} + \text{Any Applicable Outliers or Disproportionate Share (DSH)}$$

If the required number of acute care stay days are greater than or equal to the ALOS assigned to the DRG, the transferring hospital receives the full DRG payment as well as any appropriate outliers and DSH share payments.

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

Attention: Prescribers

Valid DEA Numbers Required on Pharmacy Prescriptions

The Division of Medical Assistance (DMA) requires DEA numbers on all recipient pharmacy claims. Providers must have their DEA registration number on file. Failure to do so may result in denied claims. If a prescriber does not have a DEA number and needs to issue prescriptions to Medicaid recipients, the prescriber should contact Brenda Scott in the DUR Section at 919-733-3590.

A prescriber Medicaid identification number (ID) will be issued in lieu of the DEA number. The ID number follows the same format as the DEA number and will always begin with a Z (for example, ZF1234567).

Prescribers must enter this number on their Medicaid prescriptions. This number is referred to as a PRESCRIBER MEDICAID IDENTIFICATION NUMBER only, and should not be referred to as a DEA number.

If updated information has not been submitted to EDS Provider Enrollment, please copy, complete, and return the following form for each prescriber in your practice. Please send the information to the following address:

EDS Provider Enrollment Unit
P.O. Box 300009
Raleigh, North Carolina 27622

Fax: 919-851-4014

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

.....
DEA NUMBER

Provider Name _____

Medicaid Provider Number _____

Street Address _____

City _____ State _____ Zip Code _____

Telephone Number ____ (____) _____

DEA Number _____

OR

Prescriber Medicaid Identification Number _____

Attention: UB-92 Billers

Filing Paper UB-92 Claims for Services Provided to Carolina ACCESS Recipients

Effective with claims received October 16, 2002, providers submitting paper UB-92 claims for services provided to Carolina ACCESS recipients must enter the recipient's primary care provider (PCP) number in form locator 83B. Prior to this change, the PCP number was entered in form locator 11. This change is being made as recommended by the National Uniform Billing Committee. Claims received after October 16, 2002 without the PCP number in form locator 83B will be denied.

Electronic claim submissions are not affected by this change. Continue to submit electronic claims in the same format.

**Laurie Giles, Managed Care Section
DMA, 919-857-4022**

Attention: Independent Practitioners and Local Education Agencies

Independent Practitioner and Local Education Agencies Seminars

Seminars for Independent Practitioners (IPs) and Local Education Agencies (LEAs) are scheduled for December 2002. The November 2002 general Medicaid bulletin will have the registration form and a list of dates and site locations for the seminars. Please list any issues you would like addressed at the seminars. Return form to:

Provider Services
EDS
P.O. Box 300009
Raleigh, NC 27622

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

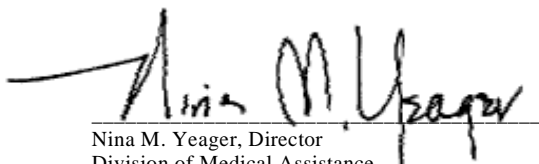
Checkwrite Schedule

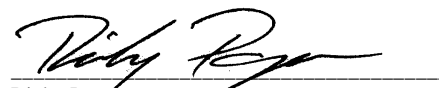
October 8, 2002	November 5, 2002	December 10, 2002
October 15, 2002	November 13, 2002	December 17, 2002
October 22, 2002	November 19, 2002	December 27, 2002
October 30, 2002	November 26, 2002	

Electronic Cut-Off Schedule

October 4, 2002	November 1, 2002	December 6, 2002
October 11, 2002	November 8, 2002	December 13, 2002
October 18, 2002	November 15, 2002	December 20, 2002
October 25, 2002	November 22, 2002	

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.


Nina M. Yeager, Director
Division of Medical Assistance
Department of Health and Human Services


Ricky Pope
Executive Director
EDS

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P.O. Box 300001
Raleigh, North Carolina 27622

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