

Provider Insider

Alabama Medicaid Bulletin

November 2006

The checkwrite schedule is as follows:

11/03/06 11/17/06 12/08/06 12/15/06 01/05/07 01/19/07

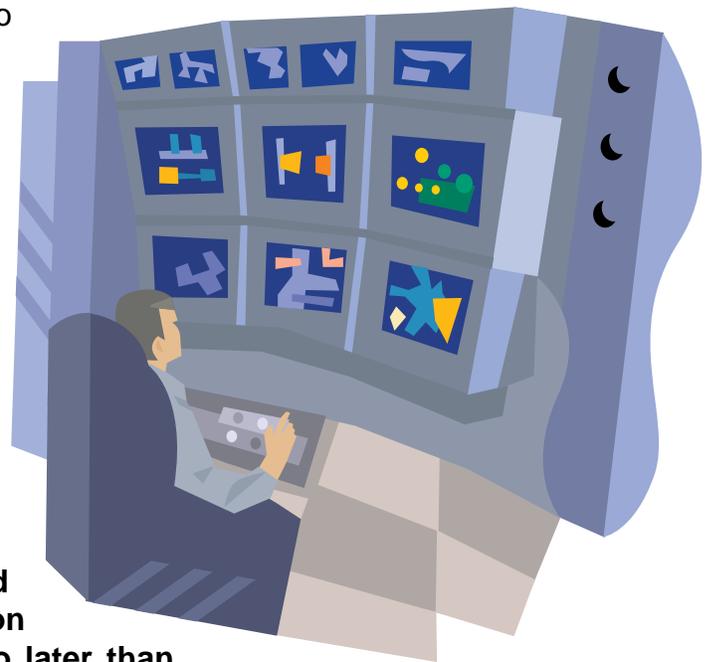
As always, the release of direct deposits and checks depends on the availability of funds.

Send Your NPI Information to EDS!

The compliance date for NPI, May 23, 2007, is less than 6 months away. Use of the NPI (National Provider Identifier) is mandated by the Health Insurance Portability and Accountability Act (HIPAA) and will also be needed to process claims on interChange, Alabama Medicaid's new claims processing system, after the NPI compliance date.

When you have received your NPI you should submit a NPI Notification form, which can be located on the Medicaid website, www.medicaid.alabama.gov/billing/NPI.aspx, along with a copy of the notification letter received from the enumerator, to EDS. The form and letter may be faxed to 334-215-4118 or mailed to:

EDS Provider Enrollment
P. O. Box 241685
Montgomery, AL 36124



To ensure claims are processed correctly and to avoid possible payment delays the Notification form and letter should be received by EDS no later than

April 1, 2007. If you have questions regarding how to fill out the NPI Notification Form, contact your Provider Representative at 1-800-688-7989 (within Alabama) or (334) 215-0111 (outside of Alabama).

You will need to continue to submit claims with your current Alabama Medicaid provider number until the new system to accommodate NPI numbers is implemented on May 23, 2007.

In This Issue...

Send Your NPI Information to EDS!	1	Medical Cost Overview	4
Global Surgical Package 10-Day Post Op Period Codes	2	Temporary Addition of Two Drugs	4
Eyeglasses Benefit Limit	2	Alabama Medicaid: In The Know	5
PA Requests for Air and Ground Ambulance	2	Prior Authorization Criteria for Synagis	6
Procedure for Billing Bilateral Procedures	2	Screening for Lead Poisoning is Essential	6
Transition Issues with CMS Coordination of Benefit Agreement (COBA)	3	Change in Max Units for Allergy Immunotherapy	6
Clarification of School-based Services	3	Are Your Educational Needs Met?	6
Important Mailing Addresses	3	New Online Catalog Offers More Materials and Streamlined Ordering Process	7
Changes for Interactive Transactions will Affect Users and Venders	3	Attention Anyone Who Uses a Software Vendor to Submit Electronic Claims	7
Hospice Program Changes	4	Attention Patient 1 st and EPSDT Providers	7
		Preparing for Emergencies at Home Handouts are Now Available	7
		State Fiscal Year 2006-2007 Checkwrite Schedule	8

Pass It On!

Everyone needs to know the latest about Medicaid.

Be sure to route this to:

- Office Manager
- Billing Dept.
- Medical/Clinical Professionals
- Other _____

Global Surgical Package 10-Day Post Op Period Codes

Please refer to the October 2006 Alabama Medicaid Agency Provider Manual, Chapter 28, for a listing of the 10 day post Op codes. Please delete code range 21325-21348 from this listing. Also, replace procedure code 36575 with 36576. As a reminder, the codes listed for the 10 day post Op period should not be billed with an office visit within 10 days of surgery, for routine care. The January 2007 provider manual will reflect the above corrections.

Eyeglasses Benefit Limit

The Alabama Medicaid benefit limits for eyeglasses are as follows:

- Recipients under 21 years of age are authorized one (1) pair of eyeglasses each calendar year,
- Recipients 21 years of age or older are authorized one (1) pair of eyeglasses every 2 calendar years.

Any exception to these benefits must be based on medical necessity and the reasons documented in the medical record. These limitations also apply to fittings and adjustments. An example of medical necessity could be treatment for eye injury, disease, or significant prescription change.

- Additional eyeglasses, fittings, and adjustments may require prior authorization by Medicaid for recipients 21 years of age and older. Please refer to the Alabama Medicaid Provider Manual, Chapter 15 for details.
- Additional eyeglasses can not be authorized for convenience but only for clearly documented medically necessary reasons.

Additional eyeglasses over and above eyeglass limits are subject to post payment review and recoupment when deemed not medically necessary.



www.medicaid.alabama.gov

PA Requests for Air and Ground Ambulance

Please note the following billing instructions for submitting a PA request: A Prior Authorization is not required for services provided to QMB only recipients (Aid Category 95) since Medicaid is only responsible for the co-insurance and/or deductible.

You must file the service to Medicare then if the service does not automatically crossover from Medicare to Medicaid, then you submit the Medicaid/Medicare related claim to Medicaid. (For additional information regarding the different Aid Categories for Medicaid eligibles, please refer to Medicaid Provider Manual, Chapter 3, Verifying Recipient Eligibility). All PA requests must be submitted within 30 business days from



the date of service with the exception of those involving Retro eligibility. If not submitted within this time frame, it is considered by the Alabama Medicaid Agency to be a provider correctible error, and the recipient must not be billed. If additional information is required, please contact Sheryl Yelder (Air Transportation) at (334) 242-5960 or Janice O'Neal (Ground Ambulance) at (334) 353-4771. For billing instructions, please call Karen Hutto at (334) 215-4158 or Laquita Thrasher at (334) 215-4199.

Procedure for Billing Bilateral Procedures

Effective October 1, 2006 and thereafter, the process for billing bilateral procedures changed. In the past, (through September 30, 2006), providers were instructed to bill for bilateral procedures on one line with modifier 50 and the reimbursement was adjusted to 150% of Medicaid's fee schedule.

Effective October 1, 2006 and thereafter, for dates of payment, the new procedure is as follows:

- Bill the appropriate procedure code on two separate lines with RT and LT modifier, or other appropriate anatomical modifier.
- Modifier 50 will be used for informational purposes only and is no longer a pricing modifier.
- The payment will be 100% of Medicaid fee schedule for first line and 50% for second line.
- Claims will be subject to multiple surgery payment adjustments for multiple procedures.

Please refer to the Alabama Medicaid Provider Manual, Chapter 28, for details and examples.

Alabama Medicaid utilizes Medicare's RVU file to determine whether a modifier 50 should be allowed with the procedure code billed.

NOTE: When Medicaid payment occurs for an inappropriate procedure code billed with modifier 50, RT (right), and/or LT (left), the claim will be subject to a system adjustment in payment, post payment review, and recoupment.

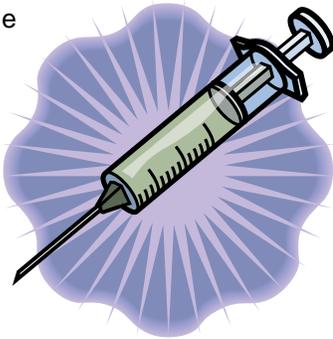
Transition Issues with CMS Coordination of Benefit Agreement (COBA)

EDS recently implemented a new federally mandated process to handle Medicare crossover claims. In the past, EDS received claim tapes from the Medicare carriers. In the new COBA process, CMS is utilizing a contractor to collect all Medicare claims data and forward claims for Medicaid eligibles to the Medicaid claims processing agents. We are experiencing a low volume of crossover claims at this time. EDS is working with the CMS contractor to resolve the issue. Once resolved, claims sent to EDS by the CMS contractor will be processed. Until this issue has been corrected, providers will see a low volume of Medicare crossover claims on their Explanation of Payment reports.

For additional information, refer to your August Issue of the Medicare A Newline newsletter, page 20.

New Vaccine for Children (VFC) Code

Effective October 01, 2006, the VFC Program added procedure code 90660 – Live, Attenuated Influenza Vaccine (LAIV) – for intranasal use.



Please share this information with your billing staff. For more information concerning the new code, please contact the VFC Program at (800) 469-4599.

Important Mailing Addresses

All Claim forms, Consent forms, and other mail	EDS Post Office Box 244032 Montgomery, AL 36124-4032
Inquiries, Provider Enrollment Information, and Provider Relations	EDS Post Office Box 241685 Montgomery, AL 36124-1685
Adjustments	EDS Post Office Box 241684 Montgomery, AL 36124-1684

Changes for Interactive Transactions will Affect Users and Vendors

Currently the Provider Electronic Solutions software permits users to submit an interactive transaction to Alabama Medicaid by pressing a 'submit' button on the related screen. Beginning May 23, 2007, interactive transactions will no longer be available through Provider Electronic Solutions or through a vendor software which currently utilizes the interactive toll-free dial-up service. The following interactive transaction types are currently permitted:

- Eligibility inquiry
 - Claim status inquiry
 - Household inquiry
- NCPDP drug claim submission, reversal and eligibility inquiry

Impact to Provider Electronic Solutions users

Beginning May 23, 2007, Provider Electronic Solutions will only be utilized for batch transactions. Dial-up interactive transactions will be accommodated in the following three ways:

- Users without an Internet Service Provider may connect to the Remote Access Server (RAS) with an Internet browser such as Microsoft Internet Explorer or Netscape as outlined by chapter 17 within the current Provider Electronic Solutions User Manual. Once connected to the RAS server, the user may access the new Web Portal and perform the same interactive transactions listed above by means of an interactive form to enter and submit such requests. The RAS dial-up connection will also become a toll-free line.
- Users with an internet service provider may connect directly to the new Web Portal to perform these transactions.
- Users may contract with a clearinghouse to perform these interactive transactions.

User Training will be made available in 2007. This training will include changes made to Provider Electronic Solutions as well as instructional guidance to complete an interactive transaction using the forms available on the new Web Portal.

If you use a software vendor

Software vendors are also being notified of this change. If you have a question about whether this change will impact your vendor supplied software, please contact your vendor.

Hospice Program Changes

Chapter 51 of the Alabama Medicaid Agency Administrative Code Manual has been amended. Hospice providers should review changes to Rule No. 560-X-51-.04, entitled Recipient Eligibility. It is very important that providers use current criteria when reviewing the appropriateness of hospice placement for a Medicaid recipient. Amendments for Rule No. 560-X-51-.04 have an effective date of October 17, 2006.

The Alabama Medicaid Agency Administrative Code manual is available on the agency website at www.medicaid.alabama.gov.

Visit
Alabama Medicaid
ONLINE



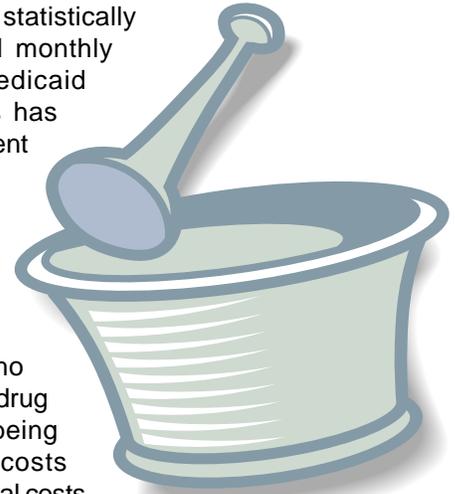
Providers can :

- ◆ Print Forms and Enrollment Applications
- ◆ Download Helpful Software
- ◆ Obtain Current Medicaid Press Releases and Bulletins
- ◆ Obtain Billing and Provider Manuals and Other General Information about Medicaid

www.medicaid.alabama.gov

Medical Cost Overview

Early in 2006, the Alabama Medicaid Agency and Health Information Designs (HID) launched a program to analyze the effects of the Preferred Drug List (PDL). The purpose of the project was to determine if there were any statistically significant changes in the total monthly medical costs for Alabama Medicaid beneficiaries after a drug class has been added to the PDL. Recipient medical and pharmacy costs were analyzed for the time period May 2003 through June 2005. The recipient population was selected by identifying all recipients (excluding dual eligible patients) in the designated timeframe who received a prescription for a PDL drug within the specific drug class being analyzed. The total medical costs analyzed were not limited to medical costs associated with the particular disease state represented by the drug class being analyzed but encompassed the patients' total medical costs. A p-value < 0.05 indicated a *statistically significant* change and a p-value > 0.05 indicated that there were *no significant changes* when comparing pre-PDL and post-PDL medical costs. Eighteen therapeutic PDL classes were reviewed. One class (Anti-Infectives) that did not have enough data post-PDL to allow for a valid pre- to post-PDL trend comparison. From May 2003 through June 2005, there was a significant reduction in medical cost trends for seven classes: Intranasal Corticosteroids, Antihypertensives, Anxiolytics/Sedatives/Hypnotics, CNS Stimulants/ADHD Agents, Skeletal Muscle Relaxers, Narcotic Analgesics, and Antidepressants. There were no significant changes in medical cost trends in ten classes: Alzheimer's Agents, Antidiabetic Agents, Proton Pump Inhibitors, Skin/Mucous Membrane Agents, Respiratory Agents, Cardiac Agents, Estrogens, Triptans, Antihyperlipidemic Agents, and Platelet Aggregation Inhibitors. There were no classes with significantly increased medical cost.



Temporary Addition of Two Drugs

Effective October 2, 2006, the Alabama Medicaid Agency temporarily added two anti-influenza drugs, Tamiflu[®] and Relenza[®], to our Preferred Drug List (PDL). No prior authorization (PA) will be needed to dispense these products until further notified.

This change in preferred status is in response to the recent announcement by the Center for Disease Control and Prevention (CDC) regarding recommendations for using antiviral agents for the 2006-07 influenza season.

For more information regarding the CDC announcement for this year's influenza season, please visit www.cdc.gov/flu. For any additional questions regarding this announcement, please contact Alabama Medicaid's Pharmacy Services at (334) 242-5050.



ALABAMA MEDICAID

In The Know

General Information Providers Need to Know When Billing to the Alabama Medicaid Agency

Preferred Drug List Update

Effective October 2, 2006, the Alabama Medicaid Agency updated the Preferred Drug List (PDL) to reflect recent Pharmacy and Therapeutics (P&T) recommendations as well as quarterly updates:

October 2, 2006 PDL Additions

Actos
Actoplus Met
Advair HFA
Avandaryl
Humalog
Rozerem

October 2, 2006 PDL Deletions*

Combipatch
Flonase
Nasarel
Wellbutrin XL

* Denotes that these products are no longer preferred but are still covered by Alabama Medicaid and will require Prior Authorization (PA).

In addition to drug changes, the Agency updated its criteria for the following class (es): Estrogens.

- Prior therapies must include **prescribed and PDL preferred** agents.

For any drug classes where **stable therapy** applies, supporting documentation is required of the source of the medication meeting stable therapy requirements. Examples of acceptable documentation include pharmacy profile printouts, prescription copies, copies of the medical record medication list or progress notes documenting strength and quantity consistent with consecutive therapy timeframes. Stable therapy does not include medication samples or manufacturer vouchers.

The PA request form and criteria booklet, as well as a link for a new PA request form that can be completed and submitted electronically online, can be found on the Agency website at www.medicaid.alabama.gov and should be utilized by the prescribing physician or the dispensing pharmacy when requesting a PA. Please note that the Electronic PA system reviews drug claims in most PDL classes as the pharmacist bills a point of sale claim, and a PA may be automatically assigned (no hard copy PA needed) if the patient meets the appropriate criteria. Hard copy PA requests may be faxed or mailed to:

**Health Information Designs (HID)
Medicaid Pharmacy Administrative Services
P. O. Box 3210
Auburn, AL 36832-3210
Fax: 1-800-748-0116
Phone: 1-800-748-0130**

Incomplete PA requests or those failing to meet Medicaid criteria will be denied. If the prescribing physician believes medical justification should be considered, the physician must document this on the form or submit a written letter of medical justification along with the prior authorization form. Additional information may be requested. Staff physicians will review this information.

Policy questions concerning this provider notice should be directed to the Pharmacy Program at (334) 242-5050. Questions regarding prior authorization procedures should be directed to the HID help desk at 1-800-748-0130. Please note the Agency's new web address: www.medicaid.alabama.gov.

Prior Authorization Criteria for Synagis

Alabama Medicaid has updated its prior authorization criteria for Synagis. The approval time frame for Synagis was effective on October 1, 2006 and will be effective through March 31, 2007. A total of up to five (5) doses will be allowed per recipient in this timeframe. There are no circumstances that will allow for approval of a sixth dose. If a dose was administered in an inpatient setting, the date the dose was administered must be included on the request form. In addition, Medicaid accepts the following as risk factors for infants less than six (6) months old with gestational age of 33-35 weeks:

- Childcare attendance
- School-age siblings
- Congenital abnormalities of the airways
- Severe neuromuscular disease
- Exposure to environmental air pollutants (Environmental air pollutants will not include second-hand smoke. Environmental air pollutants would include instances where a child is constantly exposed to particulate air matter.)

This year, requests for Synagis will be submitted on a separate prior authorization form. The new form and complete updated criteria specific to Synagis is available on our website at www.medicaid.alabama.gov under Programs: Pharmacy: Prior Authorizations/Override Criteria and Forms: Instruction Booklet for Form 369 and Form 351. Additional questions regarding Synagis criteria can be directed to Health Information Designs at 1-800-748-0130.

Screening for Lead Poisoning is Essential

Remember, it is essential to screen all children at ages 12 and 24 months for lead poisoning. Report ALL levels >10ug/dL to the Health Department using the ADPH-FHS - 135 form. Forms and educational materials are available at the Health Department's website <http://www.adph.org/ac/ipp>. For any question, please call (334) 206-2966 or (800) 545-1098.

www.medicaid.alabama.gov

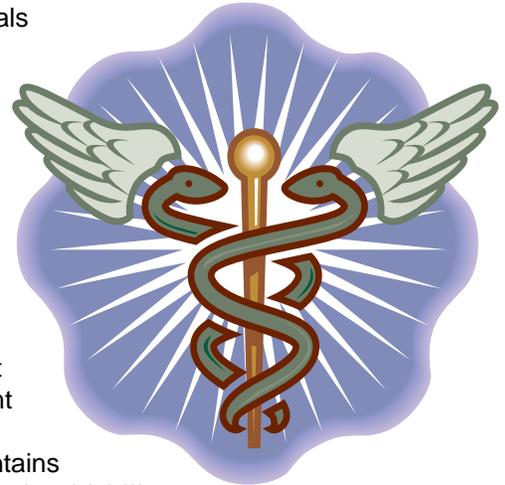
Change in Max Units For Allergy Immunotherapy

Procedure Code 95165 represents the preparation of vials of non-venom antigens. The reimbursement for procedure code 95165 is based on preparing a 10cc vial containing one mixture of all the appropriate antigens and removing aliquots with a volume of one (1) cc. Using this calculation, a 10cc vial would yield 10 doses.

Therefore, one (1) cc equals one (1) billing unit. This does not mean that the dosage must be in one (1) cc aliquots from a multidose vial. If a physician removes 1/2cc aliquots from a 10cc multidose vial for a total of 20 doses from one vial, he/she may only bill Medicaid for 10 doses. Billing for more than 10 doses per vial would represent an overpayment and be subject to post payment review and adjustment.

When a multidose vial contains less than 10cc, physicians should bill Medicaid for the number of one (1) cc aliquots that may be removed from the vial. If a physician prepares two 10cc vials, he/she may bill Medicaid for 20 doses. A physician may remove 1/2cc aliquots from the vial, but may not bill more than a total of 20 doses.

The maximum number of billable units (2-10cc vials) for procedure code 95165 will become "20" effective November 1, 2006. Please refer to the January 2007 update of Appendix H in the Alabama Medicaid Provider Manual. If you have any questions, please call Mary Timmerman (Medical Support) at (334) 242-5014.



Are Your Educational Needs Met?

The Alabama Medicaid Agency has an Outreach & Education Unit available to meet physician's offices educational needs. Following is a description of the educational activities in place.

Medicaid Outreach Representatives

Medicaid employs Outreach representatives who are trained in-depth regarding program policies. These representatives will educate providers about:

- Patient 1st
- EPSDT
- Family Planning and Plan First
- PT + 3 and,
- New programs or problem areas.

Providers are encouraged to call (334) 353-5203 anytime an educational in-service is needed or email brenda.vaughn@medicaid.alabama.gov. A telephone conference can also be arranged. We look forward to hearing from you soon!

New Online Catalog Offers More Materials and Streamlined Ordering Process

More educational materials and a streamlined ordering process are now available to Medicaid providers, thanks to recent updates to the Agency's online catalog. The catalog is available on the Agency website at www.medicaid.alabama.gov. To access the catalog directly, click on "Fast Find" at the upper right corner of any page on the site and select "Online Catalog."

The new catalog is designed to streamline orders by automating the fulfillment process. Because of these changes, providers need to be aware that effective December 1, 2006, all orders for educational materials will need to be placed online.

In addition to the expanded number of available items, the catalog features downloadable PDF versions of most documents and forms that can be printed directly by the provider or saved to the provider's computer for future use. To access these files, providers will need to click on the image of the document in the catalog to open the PDF document.

Providers needing assistance with an order should call (334) 353-5203, click on the catalog's "help" link or send an email to CatalogOrders@medicaid.alabama.gov.

Attention Anyone Who Uses a Software Vendor to Submit Electronic Claims

EDS is implementing a new claims processing system on May 23, 2007 to accommodate the changes that NPI requires. Some of the required fields in the HIPAA companion guides will be rewritten to facilitate the changes as well. A draft of the companion guide can be found on our website at the following address: <http://www.medicaid.alabama.gov/billing/NPI.aspx>.

Providers that use a vendor should make sure that their vendor is aware of the changes and is updating their software to accommodate them. If your software vendor has questions about the companion guide, they can contact our Electronic Claims Submission Department at (800) 456-1242. Providers who have questions about NPI can contact their provider representative at (800) 688-7989.

Attention Patient 1st and EPSDT Providers

Effective January 1, 2007, EPSDT Interperiodic screening codes will change. In order to bill an EPSDT Interperiodic screening, the following procedure codes (in service locations other than inpatient hospital), must be utilized with an **EP modifier**:

99211EP 99212EP 99213EP 99214EP 99215EP

If an Interperiodic screening is performed in an **inpatient hospital setting**, procedure code **99233EP** must be utilized.

Documentation requirements and reimbursement for EPSDT Interperiodic screenings will not change. Please refer to Appendix A for documentation requirements. It is **very important** to append the EP modifier when filing for an Interperiodic screening, as these screenings will not count against benefit limits. Refer to Chapter 28 for policy concerning filing office visits, inpatient visits and EPSDT screenings on the same date of service by the same provider or provider group.

NOTE: Interperiodic screenings must always be filed with the patient's other insurance first. Claims may be filed with the appropriate office visit or subsequent inpatient visit to the other insurance. Once the claim has been paid/denied from the other insurance, Medicaid may then be billed for the Interperiodic screening (with an EP modifier). Please refer to Chapter 5, Filing Claims, for information concerning third party billing instructions.

Please take the necessary actions for any computer system modifications to accommodate the above changes. If you have any questions, please contact Debbie Flournoy at (334) 242-5582.

Preparing for Emergencies at Home Handouts are Now Available

Two easy-to-read handouts for patients on when to go to the emergency room and how to prepare for health problems at home are now available on the Alabama Medicaid website and through the Agency's online catalog. The publications were designed in response to requests from physicians, hospitals and others for assistance in educating patients about appropriate ER use, according to Kim Davis-Allen, Director of Medicaid's Medical Services Division which includes the Agency's Patient 1st program.

"Many patients go to the emergency room for non-emergencies," Ms. Davis-Allen said. "Our goal is to help patients better understand when it is appropriate to use the emergency room and what to do when health problems arise at home."

The new publications are available on the agency's website at www.medicaid.alabama.gov



State Fiscal Year 2006-2007 Checkwrite Schedule

10/06/06	01/05/07	04/06/07	07/06/07
10/20/06	01/19/07	04/20/07	07/20/07
11/03/06	02/09/07	05/11/07	08/10/07
11/17/06	02/23/07	05/25/07	08/24/07
12/08/06	03/09/07	06/08/07	09/07/07
12/15/06	03/23/07	06/22/07	09/14/07

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