

Provider Insider

Alabama Medicaid Bulletin

November 2007

The checkwrite schedule is as follows:

11/16/07 12/07/07 12/14/07 01/04/08 01/18/08

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

interChange Beta Testing Available for Medicaid Providers and Vendors

Beginning November 5, 2007 all Providers and Vendors interested in trading electronic transactions with Alabama Medicaid will have the opportunity to test with the new interChange system. This testing includes NPI.

Recipient and provider test data is not provided for this testing. A conversion of the current production system has been completed and testers may use production information to test.

Expectations:

- Submit a 270 eligibility request and receive a 271 eligibility response.
- Submit a 276 claim status request and receive a 277 claim status response.
- Claim submission, retrieval of the 997 and feedback via email on adjudication results if requested.
- 278, 835 and NCPDP testing will be available at a future date.

Before testing, please review the following documents available on the Medicaid Website.

The Interchange Test File Processing Publication for Vendors and Providers contains useful information on obtaining a testing ID, whom to contact for testing questions, testing expectations and an example of how to setup an account. http://www.medicaid.alabama.gov/old_site/hipaa/vendornews.htm?tab=5

The Alabama Interchange Vendor Specifications document is intended for Software Vendors to use when developing applications to interact with the interchange version of the Alabama Medicaid Interactive Web site. http://www.medicaid.alabama.gov/old_site/hipaa/AL_interChange_Vendor_Specs_v1.0.pdf

The Alabama HIPAA Companion Guides contains specific requirements, such as NPI requirements, to be used for processing data in the Alabama Medicaid Management Information System. http://www.medicaid.alabama.gov/billing/npi_companion_guides.aspx



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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 _____

Resources Utilized to Determine if a Procedure Code Requires a PA

There are several ways by which a provider may determine whether or not a code requires prior authorization. The Agency's website www.medicaid.alabama.gov is a resource for the Alabama Medicaid Provider Manual and various listings and fee schedules. The following is a guide to identify helpful tools to determine a prior authorization requirement.

Chapter 4, and Appendix L, in the Medicaid Provider Manual located on the Medicaid website, outlines the steps needed to submit requests for prior approvals. The Physician's Fee Schedule identifies procedures requiring a PA and the Physician Drug Fee Schedule identifies administration or injectables requiring a PA.

Additionally, providers may call the Automated Voice Response System (AVRS) at (800) 727-7848, or their EDS Representative for information on prior authorization requirements for specific procedure codes.

Modifier "76"

Modifier "76" is used for repeat procedure only and should not be billed unless the procedure is actually a repeat procedure. This modifier should never be billed to obtain additional billing units for procedures that have restricted billing units (Example; injectable drugs). Providers that have used this modifier inappropriately in the past should adjust those claims, and note that this issue is subject to post payment review and recovery.

Dental Procedure Codes

Dental providers should be advised of the difference between D2952 and D2954. D2952 is an indirectly fabricated post and is commonly called a cast post. D2954 is a pre-fabricated post. Random provider audits will be conducted quarterly during the next year to ensure billing of the correct code. Providers will have to provide documentation which includes progress notes, lab bills and/or x-rays to support the billing of D2952. Lack of proper documentation will result in recoupment of claims filed for D2952. If you have any questions, you may contact the Dental Program at (334) 353-5263.

Requirement for Nursing Facilities

Payments to nursing facilities may be made for therapeutic leave visits to home, relatives, and friends for up to six days per calendar quarter. A therapeutic leave visit may not exceed three days per visit. A resident may have a therapeutic visit that is one, two, or three days in duration as long as the visit does not exceed three days per visit or six days per quarter. Visits may not be combined to exceed the three-day limit. The facility must obtain physician orders for therapeutic leave.



A nursing facility provider that fails to provide the required documentation or additional information for audit reviews as requested by the Alabama Medicaid Agency Long Term Care Medical and Quality Review Unit within ten working days from receipt of the certified letter shall be charged a penalty of one hundred dollars per recipient record per day for each calendar day after the established due date unless an extension request has been received and granted. The penalty will not be a reimbursable Medicaid cost. The Associate Director of the Long Term Care Medical & Quality Review Unit may approve an extension for good cause. Requests for an extension should be submitted in writing by the nursing facility Administrator to the Associate Director of the Long Term Care Medical and Quality Review Unit with supporting documentation. The request should be sent to the following address:

Alabama Medicaid Agency
P. O. Box 5624 501 Dexter Avenue
Montgomery, Alabama 36103-5624

Inpatient Hospital Claims PHP Filing Limits

All in-state inpatient hospital claims follow Partnership Hospital Program (PHP) payment guidelines. PHP requires all claims to be filed by the last day of February of the following year.

The fiscal year begins October 1 and ends September 30. Listed below are examples of filing deadlines:

- Any inpatient claims with dates of service from October 1, 2006 through September 30, 2007 that are filed after February 29, 2008 will be denied by EDS as exceeding the PHP filing limit. Recipients may not be billed if a claim is denied for this reason.
- Any inpatient claims for **retroactive coverage** with dates of service from October 1, 2006, through September 30, 2007 that are filed after February 29, 2008 will be denied by EDS. Hospital must seek payment, if any, from PHPs. Recipients may not be billed if a claim is denied for this reason. However, a hospital that accepts a patient as private pay before rendering service is not obligated to bill Medicaid if the patient receives retroactive eligibility. In this case, the recipient may be billed.
- Any inpatient claims with dates of service from October 1, 2006 through September 30, 2007 that are filed after February 29, 2008 with **third party liability** action (either paid, denied, or recouped by Medicaid) will be denied by EDS. The usual third party filing limits will not apply. Recipient may not be billed if a claim is denied for this reason.
- Any inpatient claims with dates of service prior to October 1, of the previous fiscal year are considered outdated. Recipients may not be billed.

Claims that span September 30, 2007 and October 1, 2007 must be split billed due to the PHP year-end.

Claims should be filed as soon as possible after the September 30, 2007, year-end.

Preferred Drug List Updates

Effective October 1, 2007, the Alabama Medicaid Agency will update our Preferred Drug List (PDL) to reflect the recent Pharmacy and Therapeutics (P&T) recommendations as well as quarterly updates. The updates are listed below:

PDL Additions

Infergen-Anti-infective Agents /Interferons

†**Relenza**-Anti-infective Agents/Neuraminidase Inhibitors

†**Tamiflu**-Anti-infective Agents/Neuraminidase Inhibitors

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

† denotes that product will be preferred during the defined flu season (October 1 – March 31 unless otherwise specified)

PDL Deletions*

Altace-Cardiovascular Health-ACE Inhibitors

Foscavir-Anti-infective Agents/Miscellaneous Antivirals

Roferon A-Anti-infective Agents/Interferons

Teveten-Cardiovascular Health/Angiotensin II Receptor Antagonists

Teveten HCT-Cardiovascular Health/Angiotensin I Receptor Antagonists Combos

Zovirax-Anti-infective Agents/Nucleosides and Nucleotides (oral and injectable formulations only)

Below are the requirements for approval of PA requests for the anti-infective agents:

- The patient must have an appropriate diagnosis supported by documentation in the patient record.
- The patient must also have failed two treatment trials of no less than three-days each, with at least two prescribed and preferred anti-infectives, either generic, OTC or brand, for the above diagnosis within the past 30 days or have a documented allergy or contraindication to all preferred agents for the diagnosis submitted.
- Patients on anti-infective therapy while institutionalized once discharged or transferred to another setting or patients having 60 day consecutive stable therapy may continue on that therapy with supportive medical justification or documentation.
- Medical justification may include peer-reviewed literature, medical record documentation, or other information specifically requested. Approval may also be given, with medical justification, if the medication requested is indicated for first line therapy when there are no other indicated preferred agents available or if indicated by susceptibility testing or evidence of resistance to all preferred agents.
- PA requests that meet prior usage requirements for approval may be accepted verbally by calling HID at the number below.

The PA request form and criteria booklet, as well as a link for a 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. 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 (800) 748-0130.

Alabama Medicaid Increases Prescription Brand Limits

Effective January 1, 2008 Alabama Medicaid will increase the current four (4) brand limit policy to five (5) brand name prescriptions per month per recipient. There will not be a limit on the number of covered generic or over-the-counter prescriptions a recipient may receive. This limitation does not apply to children under the age of 21 and recipients living in nursing facilities.

In certain drug classes, allowances are allowed in the event of an adverse or allergic reaction, or failure to respond. Medicaid will also continue to allow for prescriptions to exceed the five (5) brand limit for anti-psychotic and anti-retroviral medications; however, there will be no instance where the limit may exceed ten (10) brand name drugs per month per recipient.

Providers with questions concerning the prescription limitation should contact:

Alabama Medicaid Agency
Pharmacy Services Division
P.O. Box 5624
Montgomery, Alabama 36103-5624
(334) 242-5050



DME Update

Wheelchairs Repair Codes

Effective October 1, 2007, procedure codes E0981, E0985, E0995, E2360, E2361, E2362, E2363, E2364, E2365, E2366, E2367, E2368, E2369, E2370, K0019, K0040, K0041, K0042, K0043, K0044, K0045, K0046, K0047, K0050, K0051, K0052, E2381, E2382, E2383, E2384, E2385, E2386, E2387, E2388, E2389, E2390, E2391, E2392, E2393, E2394, E2395, E2396, K0099 will be **EXEMPT** from the prior authorization requirement. DME providers dispensing these wheelchair repair codes **DO NOT** need **NRRTS** or **RESNA** certification.

CPAP and BIPAP Policy Revisions

Effective November 1, 2007, revisions have been made to the CPAP and BIPAP policies. The revisions to the CPAP policy are as follows:

- Sleep study is still required, but specific numbers of apneas and hypoapneas have been removed.
- Patient compliance as defined by smart card downloads has been further defined.

The revisions to the BIPAP policy are as follows:

- Certain neuromuscular diseases (muscular dystrophies, myopathies, spinal cord injuries or respiratory insufficiency, restrictive lung disease from thoracic wall deformities) do not require a sleep study and CPAP before going to BIPAP.

Compliance for continued coverage is further defined. The updated CPAP and BIPAP policies will be published in the next update to chapter 14, of the Alabama Medicaid Provider Manual. Copies of the updated CPAP and BIPAP policies will also be available on the Medicaid DME List Server and ADMEA Website.



Home IV Therapy Services

Home IV Therapy Services must only be administered in the recipient's Home. Home IV Therapy Services not administered in the home setting will not be reimbursed by Alabama Medicaid.

If you have any additional questions or need further clarification, please contact Ida Gray, at (334) 353-4753.

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