

Provider Insider

Alabama Medicaid Bulletin

January 2009

The checkwrite schedule is as follows:

01/02/09 01/16/09 02/06/09 02/20/09 03/06/09 03/20/09

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

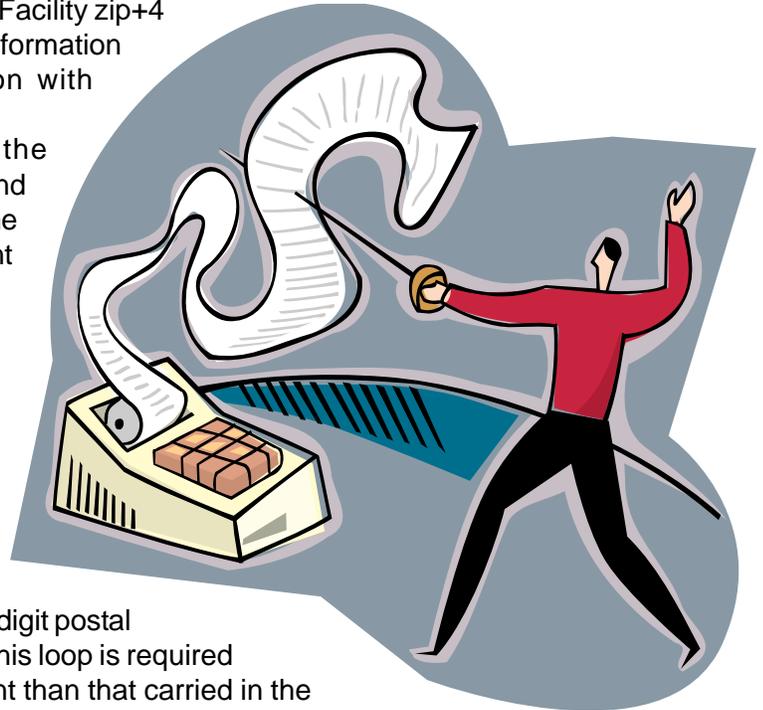
Important Change for Providers Who Submit Using Crossover Claims

EDS will begin utilizing the Service Facility zip+4 as part of its provider crosswalk. Service Facility information should be submitted when the billing or rendering provider uses one NPI to bill for services performed in multiple locations. In order to resolve 1946 errors, the Service Facility zip+4 submitted must correspond to the location address information the provider used to enroll each service location with Medicaid.

Check with your software vendor to verify the information for service facility, rendering provider and billing provider information is being sent to Medicare. The information for the different addresses should be sent in the following loops:

837P Format:

- Billing Provider Address: 2010AA-N403 The entire 9-digit postal zip code should be submitted, without the dash.
- Rendering Provider Address: N/A, submit the appropriate taxonomy code.
- Service Facility Address: 2310D-Service Facility Location City/State/Zip Code -The entire 9-digit postal zip code should be submitted, without the dash. This loop is required when the location of health care service is different than that carried in the 2010AA (billing provider) or 2010AB (pay provider) loops.
- Service Facility Address (Detail): 2420C- Service Facility Location City/State/Zip Code- The entire 9 digit postal zip code should be submitted, without the dash. Required when the location of health care service for this service line is different than that carried in the 2010AA (Billing Provider), 2010AB (Pay-to Provider), or 2310D Service Facility Location loops.



(Continued on page 4)

In This Issue...

Important Changes for Providers Who Submit Using Crossover Claims	1
Quality Assurance Program Contract Awarded	2
Pulse Oximetry Code Information	2
Attention Mental Retardation and Living at Home Waiver Providers	2
UB-04 Crossover Form Information	2
MedSolutions to Process Radiology Prior Authorizations	3
Medicaid Introduces the 1 st Look Program	3

Trofile Assay is Now a Covered Service	4
NDC is Required on CMS-1500	4
Processing Changes for Provider 1099	4
Changes to the Patient 1 st Program	5
State Seeks Input to Improve Medicaid Maternity Care Program	5
Attention DME Providers	6
Providers Reconized for Outstanding Vaccination Coverage Rates	6
Update to Preferred Drug List	6
EDS Provider Representatives	7
State Fiscal Year 2009-2010 Checkwrite Schedule	8

The Provider Insider publication will now be published once per quarter and will be distributed January, April, July, and October of each year.

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 _____

Quality Assurance Program Contract Awarded

The inpatient hospital quality assurance program contract was awarded to the Arkansas Foundation for Medical Care (AFMC). Representatives from AFMC will be contacting your facility in order to establish contacts for inpatient quality activities. Hospitals are required to submit a utilization review plan and a medical care evaluation study annually. AFMC will be requesting this information from your facility. Hospitals may also expect a letter from AFMC requesting medical records for a quarterly retrospective medical review of inpatient admissions. The transition from the PHP to AFMC may result in other quality initiatives, which will require your participation. Notification will be sent to providers as progress is made regarding implementation of InterQual. Please feel free to contact me by e-mail at jerri.jackson@medicaid.alabama.gov or fannie.oliver@medicaid.alabama.gov or by phone at (334) 242-5630.

Pulse Oximetry Code Information

Pulse Oximetry codes (94760, 94761, and/or 94762) are considered bundled services which are included in Evaluation and Management codes for both physician and outpatient services. Since July 2006, these codes by policy are not separately billable/payable when other services are billed on the same day by a physician or outpatient provider.

Effective January 1, 2009, pulse oximetry codes (94760, 94761, and/or 94762) will no longer be considered separately billable/payable by Medicaid for physician and outpatient services. The changes to policy will appear in the April update to the Alabama Medicaid Provider Manual. The recipient cannot be billed for these services.



www.medicaid.alabama.gov

Attention Mental Retardation and Living at Home Waiver Providers

Effective February 23, 2008, the Home and Community-Based Waiver for Persons with Mental Retardation and the Living at Home Waiver providers will provide and bill Medical Supplies and Specialized Medical Equipment services as described in the language below:

Specialized Medical Equipment (T2029/Modifier UC- MR)
Specialized Medical Equipment (T2029/Modifier UD- LHW)

Specialized medical equipment includes devices, controls, or appliances specified in the plan of care, which enable recipients to increase their ability to perform activities of daily living or to perceive, control or communicate with the environment in which they live. Included items are those necessary for life support, and equipment necessary to the proper functioning of such items and durable and non-durable medical equipment not available under the Medicaid State Plan. Items reimbursed with waiver funds shall be in addition to any medical equipment furnished under the State Plan and shall exclude those items that are not of direct medical or remedial benefits to the recipient. Invoices for medical equipment must be maintained in the case record. All items shall meet applicable standards of manufacturer, design and installation. Costs are limited to \$5,000 per year, per individual.



Providers of this service must meet the same standards required for the providers under the Alabama State Plan.

Medical Supplies (T2028/Modifier UC – MR)
Medical Supplies (T2028/Modifier UD – LHW)

Medical supplies are necessary to maintain the recipient's health, safety, and welfare and to prevent further deterioration of a condition such as decubitus ulcers. These supplies do not include common over-the-counter personal care items such as toothpaste, mouthwash, soap, shampoo, Q-tips, deodorant, etc.

These medical supplies will only be provided when authorized by the recipient's physician and shall meet applicable standards of manufacturer, design and installation. Providers of this service will be those who have a signed provider agreement with Medicaid and the Department of Mental Health and Mental Retardation. Medical supplies are limited to \$1800.00 per recipient, per year. The Operating Agency must maintain invoices and documentation of items purchased for the recipient. A unit is defined as a per diem rate.

If you have any additional questions or need further clarification, please contact Samantha McLeod at (334) 242-5584.

UB-04 Crossover Form Information

When submitting number of days on the UB04 Crossover forms (Covered, Non-Covered, Lifetime Reserve, and Coinsurance), be sure to submit the values **without** decimals. Acceptable values would be in a 00 or 0 format. Values **with** decimals in boxes 39-40 are recognized as dollar amounts. Applicable value codes for the various days are 80, 81, 82, and 83.

MedSolutions to Process Radiology Prior Authorizations

The Alabama Medicaid Agency has contracted with MedSolutions to implement a radiology prior authorization program effective February 2, 2009. MedSolutions is a radiology services organization that specializes in managing diagnostic services.

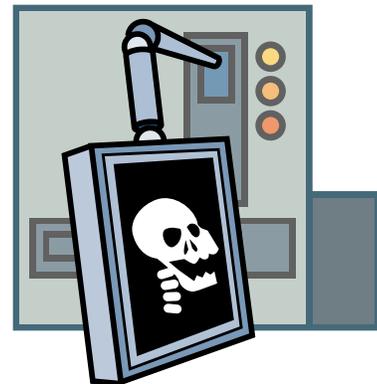
For all MRI's, MRA's, CT scans, CTA's, and PET scans performed on or after February 2, 2009, ordering providers will be required to request prior authorization from MedSolutions. MedSolutions will begin accepting prior authorization requests on February 2, 2009 for dates of service beginning February 2, 2009. Medicaid will provide a grace period to allow providers sufficient time to acclimate to the change. Providers will be required to submit Prior Authorizations during this grace period. Medicaid will not deny any claims for these services performed from February 2nd through February 28th due to no prior authorization. However, beginning on March 1, 2009, any claims that are submitted for these radiological services for dates of service March 1, 2009 and thereafter without prior approval will be denied.

Exclusions from the PA requirement will be:

- Scans performed as an inpatient hospital service,
- Scans performed in an emergency room service as a certified emergency, and
- Scans for Medicaid recipients who are also covered by Medicare.

MedSolutions will soon be sending you more information to facilitate a smooth and successful transition to our radiology management program.

Providers with additional questions may contact Teresa Thomas, Program Manager, Lab/X-ray services at teresa.thomas@medicaid.alabama.gov or by phone at (334) 242-5048.



Medicaid Introduces the 1st Look Program

Infants and toddlers at high risk for serious dental problems will soon benefit from a collaborative effort aimed at preventing early childhood caries (ECC) in children covered by the Alabama Medicaid Agency.

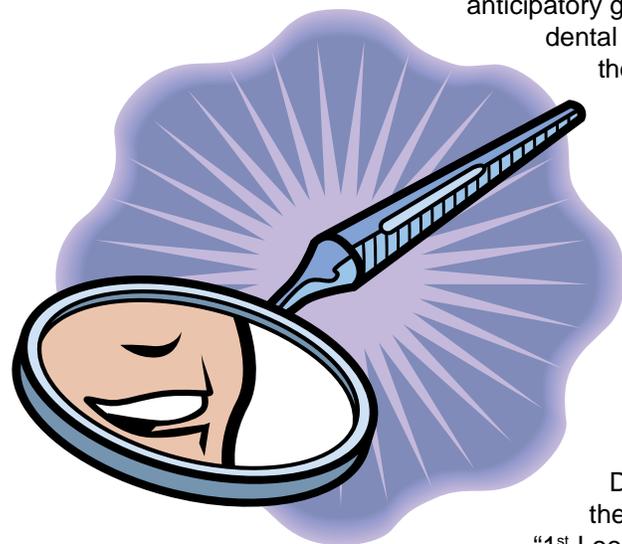
Developed by the Agency in partnership with the state's pediatric dentists and pediatricians, the 1st Look Program is designed to reduce early childhood caries by encouraging primary care physicians to perform dental risk assessments, provide anticipatory guidance, apply fluoride varnish when indicated, and refer children to a dental home by age one. Children already seen by a dentist do not qualify for the 1st Look Program. Participating primary medical providers (PMPs) must first obtain certification by completing a Medicaid-approved training course. The 1st Look Program is scheduled to begin in January 2009.

"Early prevention of dental caries will ultimately result in improved oral health for high-risk Alabama children," said Medicaid Commissioner Carol Steckel. "This partnership between Patient 1st medical providers and the dental community is a win-win effort that will significantly impact the overall health and well-being of the children we serve."

Pediatric dentist Richard A. Simpson, DMD, of Tuscaloosa, has been instrumental in the collaborative effort, which has included representatives of the Alabama Academy of Pediatric Dentistry, the Alabama Chapter of the American Academy of Pediatrics, the Alabama Dental Association, and the Alabama Medicaid Agency. Alabama will be the 23rd state to offer this type of program.

"1st Look Program goals are to improve awareness of early childhood caries, increase early prevention education, enlarge the dental provider referral base, and reduce the incidence of dental caries in Alabama children", Dr. Simpson said. The key components of the 1st Look Program involve doctors assessing the risk for dental disease during check-ups of their young patients, utilizing a modified AAPD Caries Risk Assessment Tool (CAT). The parent or other caregiver then receives preventive education and is instructed on the importance of establishing a dental home, ideally by age one. Infants deemed to be at "high risk" for ECC receive a fluoride varnish application and are referred to a Patient 1st care coordinator to assist in the dental referral process.

Dr. Simpson stated that "recent studies are beginning to show that the combination of primary care physicians well trained in oral health assessment, repeated fluoride varnish applications, and appropriate early referral to a dentist can effectively reduce the incidence of ECC and, ultimately, the number of costly restorative procedures performed on very young patients." He also noted that North Carolina, the first state to implement such a program some 10 years ago, has reported a 39 percent reduction in caries in the anterior teeth of young children.



Trofile Assay Now is a Covered Service

The Trofile Assay is now a covered service by Medicaid with prior authorization effective December 1, 2008. The procedure code to be billed is 87999 (unlisted microbiology procedure). In order to be reimbursed by Medicaid for the Trofile Assay, the ordering provider must submit a Prior Authorization electronically or by paper on form 342. The form is available on the Agency's website at:

http://www.medicaid.alabama.gov/documents/Billing/5-F_Forms.Billing/5F-2_Prior.Auth.Forms/5F2a_PA_Form342_fillable-2-26-08.pdf

Providers requesting a PA should include:

- Any past history of antiretroviral medications prescribed to include date prescribed and the date the drug was discontinued;
- The name and contact information of the HIV clinic that the provider is affiliated with if the requesting provider is not enrolled in Medicaid with specialty of infectious disease, and;
- The result of the most current HIV-1 RNA.

If you need further information, please see chapter 4 of the Provider Billing Manual for detailed instructions on the submission of prior authorizations. Providers with questions may contact Teresa Thomas, Program Manager, Lab/X-ray services at teresa.thomas@medicaid.alabama.gov or by phone at (334) 242-5048.

NDC is Required on CMS-1500

Effective for dates of service August 1, 2008 and thereafter, providers are required to submit NDC's (National Drug Codes) on CMS-1500 for the top 20 physician administered drugs. Effective for dates of service September 1, 2008 and thereafter, facilities are required to submit NDC's (National Drug Codes) for the top 20 physician administered drugs.

Since implementation of this requirement, EDS has noticed many paper claims being submitted with the NDC information in the wrong fields. Because claims are scanned for processing, it is imperative providers submit NDC information in the appropriate fields on the claim forms. NDC information not submitted correctly results in claim denials.

Please review the information on the next pages to ensure you are properly completing your paper claim forms with NDC information. For more information, see the July 2008 Provider Insider.

Important Change for Providers Who Submit Using Crossover Claims

837I Format:

(Continued from page 1)

- Billing Provider Address: 2010AA-N403 The entire 9-digit postal zip code should be submitted, without the dash.
- Service Facility Address: 2310E,N403-Service Facility Location City/State/Zip Code- The entire 9-digit postal zip code should be submitted, without the dash. This loop is required when the location of health care service is different than that carried in the 2010AA (billing provider) or 2010AB (pay to provider) loops.
- Service Facility Address (Detail): 2420C- Service Facility Location City/State/Zip Code- The entire 9-digit postal zip code should be submitted, without the dash. Required when the location of health care service for this service line is different than that carried in the 2010AA (Billing Provider), 2010AB(Pay-to Provider), or 2310D Service Facility Location loops.

If you have further questions, please contact the Provider Assistance Center at 1-800-688-7989.



Processing Changes for Provider 1099

With the implementation of the new Medicaid claims processing system, there are changes for the way Provider 1099's will be processed. In the past, Providers received a separate 1099 form for each Medicaid Provider number on file. Beginning with the 2008 tax year, 1099's will be produced based on the Provider tax identification number (tax ID). Providers will receive one 1099 form for each tax ID. This means that if a tax ID has multiple NPI's associated to it, one 1099 will be produced with rolled up earnings totals for all associated providers. In the event of a tax ID change, providers will receive a separate 1099 for each tax ID that was used during the year.

Changes to the Patient 1st Program

The Patient 1st Program continues to be a success in meeting its goal of creating a medical home for our recipients. One action taken to accomplish this goal has been to revise the case management fee components and performance measures for the time period, January 1, 2009 – December 31, 2010. These changes were a reflection of providers indicating they would like to have measures of greater practice significance and more quality oriented. The central theme throughout the planning process was for the measures to be realistic, important to the overall enhancement of patient care and considered valuable across all physician peer groups.

The changes in the case management fee will require a reenrollment of all Patient 1st PMPs. New contracts, along with the revised Provider Manual, will be mailed in the first week of November. In addition, a detailed description of the Performance Measures including the algorithm for determining the measure will be part of the enrollment packet.



Patient 1st

Health Care Close To Home

Case Management Fee components

- 24/7 Voice-to-Voice Phone Coverage - \$1.00
This is a requirement of program participation and not optional. PMPs must have a voice-to-voice telephone coverage for their recipients.
- Radiology Management - \$.50
The Agency is implementing a prior approval process for Radiology services (CT Scans, MRI, MRA, PETS and CTA) for 2009. All Medicaid providers, regardless of program participation, will be required to request radiology services through prior approval.
- Administrative fee - \$.10
To offset the extra time the PMP and staff spend on completion of referrals, consultations, prior approvals, In-Home monitoring enrollment forms, Review of Care Coordination reports, etc.
- InfoSolutions/QTool (Electronic Health Record) - \$1.00
Use of InfoSolutions until such time as the QTool becomes available in the counties. QTool is Medicaid's web based electronic health record that is currently being piloted in 9 counties. Once QTool becomes available in a county; then requires use of the QTool for 25% of patient visits the first 3 months and 50% of visits from then on to earn the fee for this component. This is an optional component.

State Seeks Input to Improve Medicaid Maternity Care Program

Alabama Medicaid providers are invited to participate in an upcoming series of "Town Hall" sessions to provide input on how the Alabama Medicaid Maternity Care Program be revamped to more effectively increase the number of healthy babies born in the state. The forums to solicit input from maternity care providers, patient advocates and the general public are a cooperative effort of the Alabama Department of Public Health's State Perinatal Council, the Alabama Chapter of the March of Dimes, and the Alabama Medicaid Agency.

One session was held December 8 in Tuscaloosa. The other sessions in Birmingham (Jan. 13), Spanish Fort (Jan. 15), Montgomery (Jan. 22), and Huntsville (Jan. 29) are free to the public and pre-registration is not required. All sessions will begin at 5:30 p.m. A free web conference will be available in conjunction with the Montgomery session for those unable to attend one of the sessions in person. Further details are available on the Medicaid Agency Web site at:

http://www.medicaid.alabama.gov/programs/maternity_care/maternity_town_hall_meetings.aspx?tab=4

"We welcome any opinions and ideas on how to improve Alabama Medicaid's Maternity Care program and the state's infant mortality rate. We have a serious problem with a significant increase in our infant mortality rate, however, I am confident that, like we have done before, together, we can solve this problem," said Medicaid Commissioner Carol Steckel.

Information provided during the sessions will be considered by a Medicaid Maternity Care Review Committee that will be convened next year to explore program options available to the state. Current Alabama Medicaid maternity care providers have agreed to continue the present maternity program through December 2009 to allow time to facilitate a redesign of the program.

According to the Alabama Department of Public Health, the state's 2007 infant mortality rate increased to 10.0 deaths per 1,000 births, compared to 9.0 deaths per 1,000 births in 2006. Approximately 48 percent of all births in Alabama are funded by Medicaid.

Attention DME Providers

Effective February 1, 2009 Alabama Medicaid will reduce the payment for procedure code B9998 (NOC for enteral supplies) from \$40.00 per month to \$20.00 per month. This code is used to cover the extension tubing for the MIC-KEY Button. This cost reduction for procedure code B9998 is being implemented as a Medicaid cost savings measure.

Effective February 1, 2009 DME / Supply items selected for competitive bidding in 2008 will receive a 9.5% decrease in price. This price reduction coincides with Medicare's price reduction guidelines effective January 1, 2009.

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

Providers Recognized for Outstanding Vaccination Coverage Rates

The Alabama Department of Public Health, Immunization Division, honors Vaccine for Children (VFC) providers who reached 80% or greater vaccination coverage rates in 2007. A plaque was awarded to 76 VFC providers who contributed significantly towards reducing the spread of diseases in Alabama.

The Alabama Vaccines for Children Program is a statewide pediatric and adolescent immunization program designed to remove barriers to vaccination and enhance preventive health care.



www.medicaid.alabama.gov

Update to Preferred Drug List

Effective January 2, 2009 the Alabama Medicaid Agency will update the 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

Simcor- Cardiovascular Health/HMG CoA Reductase Inhibitors

PDL Deletions*

Cedax - Anti-infective Agents/Cephalosporins

Lipitor - Cardiovascular Health/HMG CoA Reductase Inhibitors

* denotes that these brands will no longer be preferred but are still covered by Alabama Medicaid and will require Prior Authorization (PA). Available covered generic equivalents (unless otherwise specified) will remain preferred.

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. Providers are to mail or fax hard copy PA requests 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 to HID. 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.

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

EDS Provider Representatives

G R O U P 1



kiki.hinton
@eds.com
334-215-4155



debbie.smith
@eds.com
334-215-4142



gayle.simpson-jones
@eds.com
334-215-4113



misty.curlee
@eds.com
334-215-4159

Nurse Practitioners
Podiatrists
Chiropractors
Independent Labs
Free Standing Radiology
CRNA
EPSDT (Physicians)
Dental
Physicians
Optometric
(Optometrists and Opticians)



mark.bonner
@eds.com
334-215-4132

G R O U P 2

Rehabilitation Services
Home Bound Waiver
Therapy Services (OT, PT, ST)
Children's Specialty Clinics
Prenatal Clinics
Maternity Care
Hearing Services
Mental Health/Mental Retardation
MR/DD Waiver
Ambulance
FQHC



jennifer.hatmaker
@eds.com
334-215-4199

Public Health
Elderly and Disabled Waiver
Home and Community Based Services
EPSDT
Family Planning
Prenatal
Preventive Education
Rural Health Clinic
Commission on Aging
DME
Nurse Midwives



savannah.brimhall
@eds.com
334-215-4158

G R O U P 3

Ambulatory Surgical Centers
ESWL
Home Health
Hospice
Hospital
Nursing Home



linda.hanks
@eds.com
334-215-4130



ann.miller
@eds.com
334-215-4156



shermeria.harvest
@eds.com
334-215-4160

Personal Care Services
PEC
Private Duty Nursing
Renal Dialysis Facilities
Swing Bed

State Fiscal Year 2009-2010 Checkwrite Schedule

10/03/08	01/02/09	04/03/09	07/10/09
10/17/08	01/16/09	04/17/09	07/24/09
11/07/08	02/06/09	05/01/09	08/07/09
11/21/08	02/20/09	05/15/09	08/21/09
12/05/08	03/06/09	06/05/09	09/04/09
12/12/08	03/20/09	06/19/09	09/11/09

**Alabama
Medicaid
Bulletin**



Post Office Box 244032
Montgomery, AL 36124-4032

PRSR1 STD
U.S. POSTAGE
PAID
PERMIT # 77
MONTGOMERY AL