

Provider Insider

Alabama Medicaid Bulletin

July 2011

The Remittance Advice (RA) schedule is as follows:

07/08/11 07/22/11 08/05/11 08/19/11 09/09/11 09/16/11

The release of funds is normally the second Monday after the RA date. Please verify direct deposit status with your bank. Go to www.medicaid.alabama.gov to view the payment delay update details. Payment alerts will be posted only if there will be a payment delay. As always, the release of direct deposits and checks depends on the availability of funds.

Clarification for Medicaid's Outpatient Observation Policy

Effective for dates of service October 1, 2010, and thereafter, outpatient observation CPT codes 99218 through 99220 have been replaced with HCPCS Level II procedure code G0378. The policy is revised as written below:

Outpatient Observation

Outpatient observation is a covered service billable only by a hospital provider enrolled in the Medicaid program.

Outpatient observation is the medically necessary extended outpatient care provided to a patient whose condition warrants additional observation before a decision is made about admission to the hospital or prolonged patient care. Outpatient observation is limited to 23 hours or less.

Outpatient observation is considered an outpatient visit and will be counted in the yearly outpatient visit benefit unless documented as a certified emergency by the attending physician at the time of service. An observation unit is an area designated by the hospital in which patient beds are set aside to provide any medically necessary extended outpatient care to a patient whose condition requires additional observation. These beds may be located in various parts of the hospital depending on the type of extended care needed for the patient. The following guidelines apply:

- Patient must be admitted through the emergency room.
- A physician's order is required for admission and discharge from the observation unit.
- A physician must have personal contact with the patient at least once during the observation stay.
- A registered nurse or an employee under his/her direct supervision must monitor patients in the observation unit.
- Medical records must contain appropriate documentation of the actual time a patient is in the observation unit as well as the services provided.
- A recipient must be in the observation unit at least three hours but less than 24 hours.

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The information contained within is subject to change. Please review your Provider Manual and all Provider Alerts for the most up to date information.

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 _____

Coverage Information for Enuresis Alarms

Effective May 1, 2011, Alabama Medicaid will cover enuresis alarms through the Durable Medical Equipment (DME) program for recipients age 5 years up to age 21. Providers may submit procedure code S8270 for coverage of the alarm and should bill Medicaid their usual and customary charge for reimbursement.

In 2008, the American Academy of Family Physicians (AAFP) published recommendations for the treatment of enuresis stating there are 2 first line therapies, enuresis alarms and desmopressin. Alarms have been shown to have a two-thirds success rate for recipients with monosymptomatic nocturnal enuresis. Providers are encouraged to prescribe the enuresis alarm as a first line and cost effective therapy.

Guidelines for Billing Prolonged Services

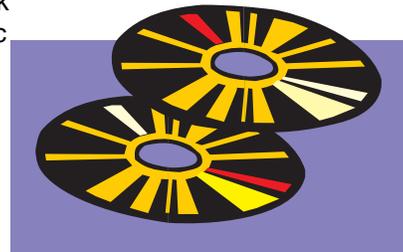
Effective July 1, 2011, Procedure Codes 99354 and 99355:

- May be billed only in conjunction with procedure codes 99201-99215, 99241-99245, 99324-99337, 99341-99350. May not be billed with these codes when the EP modifier is billed.
- May not be billed alone. Also, time must be documented clearly in the medical record to indicate the beginning of service time and the end of service time to justify these codes being billed in addition to the office visit. These services are subject to post payment review and recoupment.



Provider Electronic Solutions Has Been Upgraded to 2.16

Version 2.16 of the Provider Electronic Solutions software, upgrade and full install along with the billing manual, can be downloaded from the Medicaid website at www.medicaid.alabama.gov. Click 'providers,' then click 'provider electronic solutions software,' and scroll down to the bottom of the page to the software download section. When applying the upgrade, you must upgrade to 2.15 before attempting to upgrade to 2.16. For further assistance, or to request the software on CD, contact the EMC helpdesk at 1-800-456-1242 or e-mail address: alabamasystemsemc@eds.com.



The new version of the software contains the following changes:

Inpatient Claim Form – Added condition code AJ for co-pay exemptions and updated the help text.

NCPDP Claim Form – Add Co-Pay/PA indicator 4 for co-pay exemptions and updated the help text.

Archive – Allows the user to archive older transactions without setting an error message.

Resubmit – Allows the user to use the 'copy' feature to resubmit batch transactions without setting an error message.

Remember, users MUST be at version 2.15 before attempting to upgrade to 2.16.

Alabama Medicaid is Now On Facebook

The Alabama Medicaid Agency has established a Facebook page to better inform the general public about many of the current topics and issues the Agency is addressing. The page also offers insight on how the Agency impacts health care in the state, as well as highlight Agency personnel and activities.

To ensure you receive timely updates, please go to the Agency's page and click on "Like." The page can be found at www.facebook.com/pages/Alabama-Medicaid-Agency/141645862533621

New Medicaid Cards To Contain a Security Hologram

Beginning in June 2011, Medicaid cards will contain a hologram which will be located in the upper right corner. This hologram is designed to make card replication more difficult. New cards will only be issued upon recipient request. Medicaid IS NOT issuing new cards to all recipients.

As always, providers should check eligibility prior to rendering services to Medicaid recipients. Providers may refer to Chapter 3 of the provider manual for information on eligibility verification.



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Chiropractors
Independent Labs
Free Standing Radiology

CRNA
EPSDT (Physicians)
Dental
Physicians
Optometric
(Optometrists and Opticians)



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G R O U P 2

G R O U P 3

- Rehabilitation Services
 - Home Bound Waiver
 - Therapy Services (OT, PT, ST)
 - Children's Specialty Clinics
- Prenatal Clinics
- Maternity Care
- Rural Health Clinic
- Nurse Midwives
- Hearing Services
 - MR/DD Waiver
- Ambulance
- FQHC
- Mental Health/Mental Retardation
- Commission on Aging
- DME
- Public Health Including:
 - Elderly and Disabled Waiver
 - Home and Community Based Services
 - EPSDT
 - Family Planning
 - Prenatal
 - Preventive Education



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- Personal Care Services
- Private Duty Nursing
- Renal Dialysis Facilities
- Swing Bed
- PEC
- ESWL
- Nursing Home
- Ambulatory Surgical Centers
- Home Health
- Hospice
- Hospital



Clarification for Medicaid's Outpatient Observation Policy

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Outpatient observation charges must be billed in conjunction with the appropriate facility fee (99281 – 99285). Observation coverage is billable in hourly increments only. A recipient must receive observation services a minimum of 30 minutes before the observation charge can be billed. Observation charges are billed as follows:

- For the first three hours of observation the provider should bill a facility fee (99281 - 99285) with units of one.
- Procedure code G0378 should be used to bill the 4th through 23rd hour for the evaluation and management of a patient in outpatient observation.

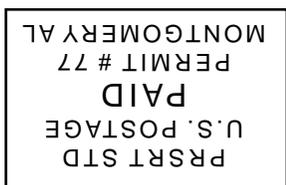
Procedure Code G0378 must be billed with a facility fee (99281-99285). The facility fee is billed with units of one and covers the first three hours.

Ancillary charges (lab work, x-ray, etc.) may be billed with the facility fee and observation charge. If the observation spans midnight and the recipient is discharged from the observation unit the following day, the provider should bill all observation charges using the date of admission to the observation unit on the claim form.

If a recipient is admitted to the hospital from outpatient observation before midnight of the day the services were rendered at the same hospital, all observation charges must be combined and billed with the inpatient charges. The provider should indicate the date of admission to the inpatient hospital as the admission date on the claim form for inpatient services.

Outpatient observation charges cannot be billed in conjunction with outpatient surgery.

Medical records will be reviewed retrospectively by Medicaid to ensure compliance with the above-stated guidelines and criteria. If there are any questions contact Jerri Jackson by telephone at (334) 242-5630 or by e-mail at jerri.jackson@medicaid.alabama.gov



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**Alabama
Medicaid
Bulletin**

