February

S North Carolina **S** Medicaid Bulletin

Visit DMA on the Web at: http://www.ncdhhs.gov/dma

In This IssuePage#
NPI Articles:
Distribution of Unreported NPI and No NPPES
Certification on File Letters
2007 Checkwrite Schedule Update
How NPI Will Affect Remittance and Status
Reports
National Provider Identifier (NPI) Seminars
New NPI Electronic Mailing List
Reporting the NPI via Automated Update
Submitting Both National Provider Identifier
(NPI) and Provider Number on Claims
(Reprint from January 2007 General Medicaid
Bulletin
All Providers:
2007 Checkwrite Schedule
2007 ICD-9-CM Procedure and Diagnosis Codes
Changes to Format for Submitting Coordination
of Benefits Agreement Eligibility Files
Clinical Coverage Policies
Corrected 1099 Requests – Action Required by
March 1, 2007
Discontinuing Automatic Newborn Coverage to
Children Born to Mothers Receiving
Emergency Medicaid
HCPCS Procedure Code Changes for the
Physician's Drug Program: New HCPCS
Codes for Intra-articular Injections of
Hyaluronates in the Knee Joints
Payment Error Rate Measurement in North
Carolina
Provider Enrollment Changes15
Ambulatory Surgical Centers:
Correction to CPT Update 2007 17
CAP-MR/DD Providers:
2007 CAP-MR/DD Cost Report
Carolina ACCESS Providers:
Change in Placement of Carolina ACCESS
Information on New Claim Forms

In This Issue Page#
Children's Developmental Service Agencies:
Prior Authorization for Outpatient Specialized
Therapies – New Fax Forms 19
CMS -1500 Providers:
New CMS-1500 (08/05) Paper Claim Form Errors 16
Dental Providers:
Corrections to American Dental Association Code
Updates Published in the January 2007
General Medicaid Bulletin21
Health Departments:
Prior Authorization for Outpatient Specialized
Therapies – New Fax Forms 19
Health Department Dental Centers:
Correction to American Dental Association Code
Updates Published in the January 2007
General Medicaid Bulletin 21
Home Health Agencies:
Prior Authorization for Outpatient Specialized
Therapies – New Fax Forms 19
Hospital Outpatient Clinics:
Prior Authorization for Outpatient Specialized
Therapies – New Fax Forms
Independent Practitioners:
Prior Authorization for Outpatient Specialized
Therapies – New Fax Forms
Local Management Entities:
Prior Authorization for Outpatient Specialized
Therapies – New Fax Forms
Services–Plus Providers:
Topics and Locations for First Quarter Training
Pharmacists:
Plan B Product Coverage
Phan B Floduct Coverage
Prior Authorization for Outpatient Specialized
Therapies – New Fax Forms
Prescribers:
Plan B Product Coverage
11 mil D 110 duct Coverage

Providers are responsible for informing their billing agency of information in this bulletin. CPT codes, descriptors, and other data only are copyright 2006 American Medical Association. All rights reserved. Applicable FARS/DFARS apply.

2007



National Provider Identifier

Attention: All Providers

Distribution of Unreported NPI and No NPPES Certification on File Letters

N.C. Medicaid will be distributing letters to providers who have either failed to report to Medicaid an NPI for each of their Medicaid Provider Numbers or who have failed to submit the NPPES certification for each of the NPIs reported.

It is a state requirement for providers to report NPI numbers to Medicaid and to provide Medicaid the NPPES certification. This certification is the official letter or email from NPPES identifying the NPI. The deadline for reporting the NPI to DMA is March 31, 2007.

The Unreported NPI letter will remind providers to report the NPI via the NPI Collection form or Collection spreadsheet. To access the NPI form spreadsheet. visit or http://www.ncdhhs.gov/dma/NPI.htm. The No NPPES Certification on File letter will notify providers that DMA has received their NPI, but has not received a copy of the NPPES certification. For a copy of the NPPES certification, providers can contact the enumerator at 1-800-465-3203, or log on to https://nppes.cms.hhs.gov and print the screen with the following information: NPI, taxonomy, Medicaid Provider Number, name, and address.

These letters will contain a label displaying the provider information. For providers who have not reported their NPI to Medicaid, the label will display the Medicaid provider number which does not have an associated NPI on file. To resolve this situation, providers need to complete and submit the NPI Collection Form or Spreadsheet as soon as possible. A different letter will be sent to providers who have submitted their NPI to Medicaid but not the NPPES certification letter. On this letter, the label will contain the Medicaid Provider Number and NPI number. Please email, fax, or mail the NPPES certification letter can be found within the *Instructions for Submitting the NPI Collection Form* located at http://www.ncdhhs.gov/dma/NPI.htm.

These letters will be sent out monthly beginning February. They will be sent to the provider's billing/accounting address. Please ensure these letters reach the parties responsible for reporting the NPI to Medicaid. Providers need to respond by immediately submitting their NPI and/or NPPES certification to DMA as soon as possible.

NPI - Get It! Share It! Use It! Getting one is free - Not having one can be costly!



Attention: All Providers

2007 Checkwrite Schedule Update

Beginning with the second checkwrite in February 2007, the cutoff day for electronic claims submission will change from Friday to Thursday due to anticipated increased processing time for the NPI implementation. It is important that you make any required system changes to accommodate this cutoff day.

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

NPI - Get It! Share It! Use It! Getting one is free - Not having one can be costly!

Attention: All Providers

How NPI Will Affect Remittance and Status Reports

Beginning May 18, 2007, providers will no longer be able to submit Medicaid provider numbers on claims due to the implementation of NPI. Remittance and Status reports (RAs) are also impacted by the implementation of NPI. The paper RA will be changing to contain the NPI submitted on the claim in addition to the Medicaid provider number. Only the NPI will be reported on 835 transactions. Since Medicaid will still be processing and paying claims based on the Medicaid provider number, providers may receive multiple 835 transactions depending on the number of Medicaid provider numbers for which claims were processed.

NPI - Get It! Share It! Use It! Getting one is free - Not having one can be costly!



Attention: All Providers National Provider Identifier (NPI) Seminars

National Provider Identifier (NPI) seminars are being held during the month of March 2007. Seminars are intended for providers that would like more detailed information on how N.C. Medicaid will be implementing NPI.

The seminars are scheduled at the locations listed below. **Pre-registration is required.** Due to limited seating, registration is limited to two staff members per office. Unregistered providers are welcome to attend if space is available.

Providers may register for the NPI seminars by completing and submitting the following registration form or <u>online</u>. Sessions will begin at 9 a.m. and end at 12 p.m. Providers are encouraged to arrive by 8:45 a.m. to complete registration.

Tuesday, March 6, 2007	Wednesday, March 7, 2007
Hickory Metro Convention Center	Crowne Plaza and Resort
1960 13 th Ave Drive S.E.	One Holiday Inn Drive
Hickory, North Carolina	Asheville, North Carolina
Thursday, March 8, 2007	Tuesday, March 13, 2007
Holiday Inn Express	Crystal Coast Civic Center
1700 Winkler Street	3505 Arendell Street
Wilkesboro, North Carolina	Morehead City, North Carolina
Thursday, March 15, 2007	Monday, March 19, 2007
Coastline Convention Center	Holiday Inn Select
501 Nutt Street	5790 University Parkway
Wilmington, North Carolina	Winston-Salem, North Carolina
Tuesday, March 20, 2007	Thursday, March 22, 2007
The Blake Hotel	Jane S. McKimmon Center
555 S. McDowell Street	1101 Gorman Street
Charlotte, North Carolina	Raleigh, North Carolina
Tuesday, March 27, 2007	Wednesday, March 28, 2007
Hilton	Hampton Inn
207 S.W. Greenville Blvd	115 Hampton Drive
Greenville, North Carolina	Edenton, North Carolina

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

NPI – *Get it!* Share It! Use It! Getting one is free – Not having one can be costly!

Directions to the NPI Seminars

Hickory Metro Convention Center – Hickory

<u>Traveling East on I-40</u>: Take Exit 125 toward Lenoir-Rhyne College/Hickory and bear right on Lenoir-Rhyne Blvd SE. Travel 0.1 mile and turn left on 13th Ave SE.

<u>Traveling West on I-40</u>: Take exit 125 toward Lenoir-Rhyne College/Hickory- go 0.4 mi. Turn left on Lenoir-Rhyne Blvd SE and travel 0.3 miles. Turn left on 13th Ave SE.

Crowe Plaza and Resort – Asheville

<u>Traveling from South or West</u>: Travel west on I-26. Follow signs for I-240 to Asheville. Stay in the left lane and take Exit 3A. Circle around right and exit onto Patton Avenue. Turn right at the second light into Regents Business Park (between Denny's and Pizza Hut). It will turn to the right; our entrance sign is on the immediate left. Follow our road (Holiday Inn Drive) past the golf course to the main entrance.

<u>Traveling from North or East</u>: Travel west on I-40. Take Exit 53 to I-240 West. Pass downtown Asheville. As you cross the French Broad River Bridge, stay in the right lane and take Exit 3B (Westgate and Holiday Inn Drive). Pass the Westgate Shopping Center on your right. After passing Mr. Transmission, you will see the entrance sign. Turn right onto Holiday Inn Drive and proceed to the main entrance.

Holiday Inn Express- Wilkesboro

Traveling West: Take 421N and turn right on Winkler Mill Rd. Turn Left on Winkler St.

Traveling East: Take 421S and turn left on Winkler Mill Rd. Turn Left on Winkler St.

Crystal Coast Civic Center- Morehead City

<u>Traveling from the West</u>: Take I-40 to US 70E to Morehead City. The Civic Center is located on the right on Hwy 70/Arandall St. near Carteret General Hospital and adjacent to Carteret Community College.

<u>Traveling from the North or South</u>: Take I-95 to US 70E to Morehead City. The Civic Center is located on the right on Hwy 70/Arandall St. near Carteret General Hospital and adjacent to Carteret Community College.

Coastline Convention Center – Wilmington

<u>From I-40 East / Raleigh Durham Area:</u> Follow Interstate 40 East to Wilmington. As you approach Wilmington, turn right onto MLK Parkway/74 West/Downtown. Continue on route to downtown and it will become 3rd Street. Follow 3rd Street for five blocks until you reach Red Cross Street. Turn right onto Red Cross Street and follow for two blocks. Turn right onto Nutt Street. Second drive way on left is the entrance to the convention center.

<u>From Hwy 17 S. (Jacksonville area)</u>: Stay on Hwy 17 S. as it turns into Market Street. Follow Market Street until you see the sign for 74 West / Downtown (MLK Parkway). Take 74 West (MLK Parkway) to downtown (approx 4 miles), turn right on Red Cross Street, come 2 blocks, turn right on Nutt Street. Second drive way on left is the entrance to the convention center.

<u>From Hwy 17 N. or Hwy 74-76 (Myrtle Beach or Fayetteville area)</u>: Come across the Cape Fear Memorial Bridge into Wilmington. Take a left at the first stoplight onto 3rd Street and come downtown. Follow 3rd Street to Red Cross Street and turn left at the stoplight. Go to the bottom of the hill (approximately 3 blocks). Take a right onto Nutt Street, turn left into the main parking lot of the Coast Line Center.

Holiday Inn Select- Winston-Salem

From the East or West: Take I-40 to NC Hwy 52 North, travel 8 miles to exit 115B (University Pkwy South). Hotel is on the right.

<u>From the North</u>: Take Hwy 52 South, to University Parkway exit- EXIT 115. Keep right at the fork toward University Parkway. Hotel is on the left.

From the South: Take Hwy 52 North to exit 115B (University Pkwy South). Hotel is on the right.

The Blake Hotel – Charlotte

From I-77, take exit 9B onto I-277/John Belk Freeway. From I-277, take Exit 1E and take Caldwell St. Exit. Merge left onto Caldwell St, then right on Stonewall at first signal. Turn left onto South McDowell. The Blake Hotel is on the right.

Jane S. McKimmon Center – Raleigh

Traveling East on I-40: Take Exit 295 and turn left onto Gorman Street. Travel approximately 2.5 miles. The McKimmon Center is located on the right at the corner of Gorman Street and Western Boulevard.

Traveling West on I-40: Take Exit 295 and turn right onto Gorman Street. Travel approximately 2.5 miles. The McKimmon Center is located on the right at the corner of Gorman Street and Western Boulevard.

Hilton – Greenville

Traveling East- take 64 east to 264 east. Follow 264 east to Greenville. Turn right on Allen Rd. once you enter Greenville. Go approx. 2 miles and Allen Rd. turns into Greenville Blvd/Alternate 264. Follow Greenville Blvd. for 2 1/2 miles, the Hilton Greenville is located on the right.

Traveling South: Take 64 to US-13 S/NC-11 S. Continue to follow NC-11 S. Turn left onto US-Greenville Blvd. The hotel is on the left.

Traveling North: Take NC Highway 11 North to Greenville. Turn right onto Greenville Blvd. Hotel is approximately one mile ahead on the right.

Hampton Inn- Edenton

From Hwy. 17 - Take Exit 227 then turn on Hwy 32 North for a Quarter of a mile. Make a right onto Hampton Drive.

1P1	National Provider Identifier (NPI) March 2007 Seminar Registration Form (No Fee)	n
National Provider Identifier		
Provider Name		
Medicaid Provider Number	NPI Number	
Mailing Address		
City, Zip Code	County	
Contact Person	E-mail	
Telephone Number()	Fax Number	
	seminar aton	
(circle one)	(location)	(date)
Ple	ease fax completed form to: 919-851-4014 Please mail completed form to: EDS Provider Services P.O. Box 300009 Raleigh, NC 27622	

re It! Use It! Getting one is free - Not naving one can be costly!



Attention: All Providers

New NPI Electronic Mailing List

An NPI electronic mailing list is now under construction for providers, software vendors, clearinghouses, and other interested parties. The purpose of the mailing list is for N.C. Medicaid to provide immediate updates regarding NPI. To subscribe to the mailing list, please visit <u>http://www.ncdhhs.gov/dma/NPI.htm</u> and select NPI Mailing List. N.C. Medicaid encourages everyone to subscribe to the mailing list in order to stay up to date with the latest NPI information.

NPI – Get it! Share It! Use It! Getting one is free – Not having one can be costly!



Attention: All Providers

Reporting the NPI via Automated Update

As an alternative to completing the Division of Medical Assistance (DMA) collection form, providers can now report NPI information by completing either a spreadsheet or flat file. Upon completion, NPI information will be automatically updated on the N.C. Medicaid provider database. This file will provide a more efficient mechanism for providers to notify DMA of their NPIs and to expedite the update of the provider database. Instructions for completing the spreadsheet or flat file are located on the DMA Website: http://www.ncdhhs.gov/dma/NPI.htm.

The following information is required when submitting this spreadsheet or flat file:

- Indicator- either (G) for Group Provider or (I) for Individual Provider
- NPI(s)
- Medicaid provider number(s)
- Organization name (if group)
- Provider Name (if individual)
- Physical address
- Accounting address
- Taxonomy code(s) (up to 15)
- Submitter name
- Submitter phone Number
- Submitter e-mail address

Providers must use all capital characters when completing the spreadsheet. Complete a separate row to report the NPI and taxonomy for each Medicaid provider number. Organizational and individual names must exactly match how they are currently listed in the Medicaid database. Otherwise, updates will not take place. Providers should verify names on a current Remittance and Status Report (RA).

Upon completion, the spreadsheet or flat file text file must be e-mailed to: <u>NCSubmitNPI@eds.com</u>. An automated e-mail confirmation will be sent to providers upon receipt to confirm that the file was received.

The NPPES certification letter or email for each NPI must still be submitted to the DMA. Send the NPPES certifications as follows:

Please Mail to:	Please Fax to:	Please E-mail to:
DMA Provider Services	(919) 715-7140	npi.dma@ncmail.net
Attention: NPI Form		
2501 Mail Service Center		
Raleigh, NC 27699-2501		

NPI – Get it! Share It! Use It! Getting one is free – Not having one can be costly!



Attention: All Providers

Submitting Both National Provider Identifier (NPI) and Provider Number on Claims (Reprint from January 2007 General Medicaid Bulletin)

N.C. Medicaid would like to encourage providers to begin submitting both the National Provider Identifier (NPI) and the Medicaid provider number on electronic claims no later than January 1, 2007. If your software is not updated to submit the NPI number, please contact your clearinghouse or software vendor as soon as possible to obtain the appropriate updates. Please ensure that you keep the capability to submit the Medicaid provider number along with the NPI. N.C. Medicaid will continue to process claims using the Medicaid provider number until NPI is implemented in May 2007.

The NCECS Webtool already contains a field for submitting the NPI, so providers can begin to populate that field. For providers who bill on paper, the new paper claim forms will be available in 2007. We plan to begin testing changes to the MMIS in January 2007 and at that time we will need both the NPI and Medicaid provider numbers.

NPI - Get It! Share It! Use It! Getting one is free - Not having one can be costly!

2007 ICD-9-CM Procedure and Diagnosis Codes

Effective with date of service October 1, 2006, the following new 2007 ICD-9-CM procedure codes have been implemented.

1									
00.44	00.56	00.57	00.77	00.85	00.86	00.87	01.28	13.90	13.91
33.71	33.78	33.79	35.55	36.33	36.34	37.20	39.74	50.23	50.24
50.25	50.26	55.32	55.33	55.34	55.35	68.41	68.49	68.61	68.69
68.71	68.79								

The following new 2007 ICD-9-CM diagnosis codes have been implemented effective with date of service October 1, 2006.

	1, 2000.								
052.2	053.14	054.74	238.71	238.72	238.73	238.74	238.75	238.76	238.79
277.30	277.31	277.39	284.01	284.09	284.1	284.2	288.00	288.01	288.02
288.03	288.04	288.09	288.4	288.50	288.51	288.59	288.60	288.61	288.62
288.63	288.64	288.65	288.69	289.53	289.83	323.01	323.02	323.41	323.42
323.51	323.52	323.61	323.62	323.63	323.71	323.72	323.81	323.82	331.83
333.71	333.72	333.79	333.85	333.94	338.0	338.11	338.12	338.18	338.19
338.21	338.22	338.28	338.29	338.3	338.4	341.20	341.21	341.22	377.43
379.60	379.61	379.62	379.63	389.15	389.16	429.83	478.11	478.19	518.7
519.11	519.19	521.81	521.89	523.00	523.01	523.10	523.11	523.30	523.31
523.32	523.33	523.40	523.41	523.42	525.60	525.61	525.62	525.63	525.64
525.65	525.66	525.67	525.69	526.61	526.62	526.63	526.69	528.00	528.01
528.02	528.09	538	608.20	608.21	608.22	608.23	608.24	616.81	616.89
618.84	629.29	629.81	629.89	649.00	649.01	649.02	649.03	649.04	649.10
649.11	649.12	649.13	649.14	649.20	649.21	649.22	649.23	649.24	649.30
649.31	649.32	649.33	649.34	649.40	649.41	649.42	649.43	649.44	649.50
649.51	649.53	649.60	649.61	649.62	649.63	649.64	729.71	729.72	729.73
729.79	731.3	768.7	770.87	770.88	775.81	775.89	779.85	780.32	780.96
780.97	784.91	784.99	788.64	788.65	793.91	793.99	795.06	795.81	795.82
795.89	958.90	958.91	958.92	958.93	958.99	995.20	995.21	995.22	995.23
995.27	995.29	V18.51	V18.59	V45.86	V58.30	V58.31	V58.32	V72.11	V72.19
V85.51	V85.52	V85.53	V85.54	V86.0	V86.1				

The following 2007 ICD-9-CM procedure codes are not covered effective with date of service October 1, 2006:32.2332.2432.2532.2655.3255.3355.3455.35

The following 2007 ICD-9-CM diagnosis codes are not covered effective with date of service October 1, 2006:V26.34V26.35V26.39V82.71V82.79

Providers must use current national codes from the 2007 ICD-9-CM manual when submitting claims to N.C. Medicaid.

Changes to Format for Submitting Coordination of Benefits Agreement Eligibility Files

Effective on March 1, 2007, CMS' Coordination of Benefits Contractor (COBC) will no longer accept E01 Full File Replacement as an option for submitting insured members for application to CMS' Common Working File (CWF).

Once the update is in effect, only the Adds, Updates and Deletes (A/U/D) methodology described in the Eligibility File section of the Coordination of Benefits Agreement (COBA) Implementation Guide will be the acceptable Eligibility File Format. In addition for those trading partners currently using the A/U/D methodology for submission of eligibility files, CMS is changing the frequency of the current submission schedule from weekly to every other week effective on September 18, 2006.

The Eligibility File Acknowledgement (EFA) is a new document that will be returned upon receipt of the A/U/D Eligibility File. It will contain a matching header record for the submitted file, a count of E01 records submitted, severe errors and error descriptions.

Both changes are being implemented in an effort to reduce the volume of Beneficiary Other Insurance records that CMS' CWF must process daily. This will also reduce the risk of losing any eligibility file records when CWF daily volume limits require processing to continue on subsequent days.

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

Attention: All Providers

Clinical Coverage Policies

The following amended clinical coverage policy is now available on the Division of Medical Assistance's Web site at <u>http://www.ncdhhs.gov/dma/mp/mpindex.htm</u>

#8J, Children's Developmental Service Agencies

This policy supersedes previously published policies and procedures. Providers may contact EDS at 1-800-688-6696 or 919-851-8888 with billing questions.

Clinical Policy and Programs DMA, **919-855-4260**

Corrected 1099 Requests – Action Required by March 1, 2007

Providers who received more than \$600 in Medicaid payments in calendar year 2006 have been sent 1099 MISC tax forms from EDS. The 1099 MISC tax forms, which were generated as required by IRS guidelines, were mailed to providers in January 2007 and reflect the tax information on file with Medicaid as of the last Medicaid checkwrite cycle date, December 21, 2006.

Providers whose tax name or tax identification number is **incorrect** on the 1099 MISC (**for example, misspelled or transposed**) must request a correction to the form to ensure that accurate tax information is on file with Medicaid and is sent to the IRS annually. When the IRS receives incorrect information on a 1099 MISC, it may require backup withholding in the amount of **28 percent of future Medicaid payments**. The IRS could require EDS to initiate and continue this withholding to obtain correct tax data.

Please Note: Claims billed under an individual provider number rather than a group number are considered income to the individual, so the 1099 will reflect the individual's tax ID rather than a Federal ID number (which is associated with a group provider number). Corrected 1099s will not address this discrepancy. Instead, please bill under the group number as soon as the issue is identified.

Requests for correction to original 1099 MISC forms must be **submitted to EDS by March 1, 2007**, and must be accompanied by the following documentation:

• A copy of the original 1099 MISC

• A signed and completed IRS W-9 form clearly indicating the correct tax identification number and tax name. (Additional instructions for completing the W-9 form can be obtained at <u>www.irs.gov</u> under "Forms and Publications.")

Fax both documents to 919-816-3186 (Attention: Corrected 1099 Request - Financial)

Or

Mail both documents to:

EDS Attention: Corrected 1099 Request - Financial 4905 Waters Edge Drive Raleigh NC 27606

A copy of the corrected 1099 MISC will be mailed to you for your records. All corrected 1099 MISC requests will be reported to the IRS. In some cases, additional information may be required to ensure that the tax information on file with Medicaid is accurate. Providers will be notified by mail of any additional action that may be required to complete the correction to their tax information.

Discontinuing Automatic Newborn Coverage to Children Born to Mothers Receiving Emergency Medicaid

Effective March 1, 2007, children born to mothers receiving Emergency Medicaid will no longer be automatically entitled to automatic newborn coverage through Medicaid. The Deficit Reduction Act of 2005 requires states to obtain satisfactory documentary evidence of an applicant's or recipient's citizenship and identity.

Under the new policy, a separate Medicaid application is now required for the newborn. The child must meet all Medicaid eligibility requirements, including citizenship and identity, and be authorized for the correct certification period based on his or her eligibility.

Medicaid Eligibility DMA, 919-855-4000

HCPCS Procedure Code Changes for the Physician's Drug Program: New HCPCS Codes for Intra-articular Injections of Hyaluronates in the Knee Joints

In an article beginning on page 26 of the January 2007 general Medicaid bulletin, Medicaid introduced HCPCS procedure code J7319 (*Hyaluronan, sodium hyaluronate or derivative, intra-articular injection*) to be used in the place of J7317 or J7320, effective with date of service January 1, 2007. Further changes from the Centers for Medicare and Medicaid Services (CMS) necessitate an additional revision to those instructions, as J7319 has been end-dated.

Therefore, for dates of service January 1, 2007, through January 31, 2007, providers may bill HCPCS procedure code J7319 **OR** the appropriate Q code in the table below. Beginning with date of service February 1, 2007, the codes below must be used. Claims submitted with J7319 beginning with date of service February 1, 2007, will be denied.

New HCPCS	Description	Unit	Maximum
code			Reimbursement Rate
Q4083	Hyaluronan or derivative,	Per dose	\$105.56
	Hyalgan or Supartz		
Q4084	Hyaluronan or derivative,	Per dose	\$198.09
	Synvisc		
Q4085	Hyaluronan or derivative,	Per dose	\$115.16
	Euflexxa		
Q4086	Hyaluronan or derivative,	Per dose	\$200.54
	Orthovisc		

The only FDA-approved indication for using hyaluronates is osteoarthritis of the knee joint. Therefore, one of the following ICD-9-CM diagnosis codes must be billed with one of the above Q codes for hyaluronates:

715.16	Osteoarthrosis, localized, primary, lower leg
715.26	Osteoarthrosis, localized, secondary, lower leg
715.36	Osteoarthrosis, localized, not specified whether primary or secondary, lower leg
715.96	Osteoarthrosis, unspecified whether generalized or localized, lower leg

Providers are reminded to bill their usual and customary charges.

Payment Error Rate Measurement in North Carolina

In compliance with the Improper Payments Information Act of 2002, the Centers for Medicare and Medicaid Services (CMS) implemented a national Payment Error Rate Measurement (PERM) program to measure improper payments in the Medicaid program and the State Children's Health Insurance Program (SCHIP). This is to inform you that North Carolina has been selected as one of 17 states required to participate in PERM reviews for Federal fiscal year 2007 (October 1, 2006 – September 30, 2007).

CMS is using three national contractors to measure improper payments. One of the contractors, Livanta LLC (Livanta), will be communicating directly with providers and requesting medical record documentation associated with the sampled claims (approximately 800 - 1,200 claims for North Carolina). Providers will be required to furnish the records requested by Livanta, within a timeframe indicated by Livanta.

Providers are reminded of the requirement in Section 1902(a)(27) of the Social Security Act and Federal Regulation 42 CFR Part 431.107 to retain any records necessary to disclose the extent of services provided to individuals and, upon request, furnish information regarding any payments claimed by the provider for rendering services. Provider cooperation to furnish requested records is critical in this CMS project. No response to requests and/or insufficient documentation will be considered a payment error. This can result in a payback by the provider and a monetary penalty for North Carolina Medicaid.

Program Integrity DMA, 919 647-8000

Attention: All Providers

Provider Enrollment Changes

Effective December 1, 2006, providers must use the most current version of the enrollment packet, which is posted on the <u>Division of Medical Assistance (DMA) Web site</u>. Old versions of enrollment packets submitted after December 1, 2006, will be returned. Incomplete or incorrectly completed enrollment packets, provider change forms, ECS agreements, or other DMA forms received after December 1, 2006, will also be returned to the provider with a letter outlining the corrections needed.

Please visit our Web site for the most current version of the enrollment packet at <u>http://www.ncdhhs.gov/dma/provenroll.htm</u> and enrollment forms at <u>http://www.ncdhhs.gov/dma/forms.html</u>.

Provider Services DMA, 919-855-4050

Attention: CMS -1500 Providers

New CMS-1500 (08/05) Paper Claim Form Errors

N.C. Medicaid began accepting the new CMS-1500 (08/05) paper claim form on January 1, 2007. Please remember that when submitting the new form, providers must adhere to the guidelines outlined in the December 2006 Special Bulletin, *New Claim Form Instructions*. The bulletin can be found at: <u>www.ncdhhs.gov/dma/bulletin/NewClaimFormInstructions.pdf</u>. Please take note of the following common errors to avoid experiencing difficulty using the new claim form:

1. **Qualifiers are not being used.** Providers must indicate either the "1D" qualifier before entering the Medicaid provider number, or the "ZZ" qualifier before entering taxonomy codes. Entering a "1D" qualifer lets the claims processing system know that a Medicaid provider number is to follow, and entering a "ZZ" qualifier lets it know a taxonomy code is to follow. Qualifiers are used in blocks 17a, 24i, and 33b on the CMS-1500 (08/05) claim form.

2. Carolina ACCESS/referring provider information is entered in block 19 instead of 17. When using the new claim form, Carolina ACCESS or referring provider numbers must be entered in either block 17a if using the Medicaid Provider number or a Carolina ACCESS Override number, or block 17b if using the NPI. Information submitted in block 19 will not be recognized during claims processing.

3. **Medicaid provider numbers are entered in the NPI field.** When entering billing provider information in block 33, remember that it now has two portions: unshaded (33a) and shaded (33b). The NPI should be entered in the unshaded block (33a), and the Medicaid provider number should be entered in the shaded block (33b). The same rule applies for attending provider information in block 24j. Enter the Medicaid attending provider number in the upper shaded portion of block 24j, and enter the attending provider's NPI in the lower unshaded portion of block 24j.

Please note: N.C. Medicaid will begin accepting the UB-04 and 2006 ADA paper claim forms on March 1, 2007.

Attention: Prescribers and Pharmacists

Plan B Product Coverage

The U.S. Food and Drug Administration has revised its approval for Plan B (Levonorgestrel 0.75 mg tablets) coverage. Women 18 years of age and older may obtain Plan B without a prescription; a prescription is required for women 17 years of age and younger. However, regardless of the recipient's age, N.C. Medicaid will cover Plan B tablets **only** with a written prescription from the recipient's health care provider.

New dual-label Plan B launches began on November 1, 2006, as a single package that meets the requirements of both a prescription and an over-the-counter medication. The new dual-label Plan B package contains a Drug Facts panel, as well as an area on which to place a prescription label. The current prescription-only Plan B product will continue to be dispensed by prescription while inventories last. This prescription-only product will be discontinued and replaced by the new dual-label Plan B product. N.C. Medicaid will require a prescription label for each dual-label Plan B product dispensed pursuant to a written prescription.

Clinical Policy DMA, 919-855-4300

Attention: Ambulatory Surgical Centers

Correction to CPT Update 2007

The January 2007 general Medicaid bulletin article titled "CPT Code Update 2007" included a table of CPT procedure codes that were end-dated effective date of service December 31, 2006, for ambulatory surgical centers (as shown on p. 17 of the January 2007 bulletin). CPT procedure code 54800, *biopsy of epididymis, needle,* was **incorrectly** included in this table. Ambulatory surgical centers may continue to bill this code.

In addition, CPT procedure code 54820, *exploration of epididymis, with or without biopsy*, was **omitted** from this list of procedure codes end-dated effective December 31, 2006. Ambulatory surgical centers cannot use this code for dates of service on or after January 1, 2007.

Attention: CAP-MR/DD Providers

2007 CAP-MR/DD Cost Report

For the past four years, providers in the Community Alternatives Program for persons with Mental Retardation/Development Disabilities (CAP-MR/DD) have not been required to submit the CAP-MR/DD Cost Report. During this time, the Division of Medical Assistance (DMA) has modified the cost report into a user-friendly and effective tool. The redesigned cost report for the CAP-MR/DD services is in the final stages of completion. <u>CAP-MR/DD providers will be required to submit the CAP-MR/DD cost report for the period of July 1, 2006, through June 30, 2007. DMA must receive this cost report by September 30, 2007.</u> Watch for the cost report, instructions, and training schedule to be posted by April 15, 2007, at <u>http://www.ncdhhs.gov/dma/capmrcost/capmrcost.htm</u>.

Rate Setting DMA, 919-855-4200

Attention: Carolina ACCESS Providers

Change in Placement of Carolina ACCESS Information on New Claim Forms

With the implementation of the new CMS-1500 (08/05) and the UB-04 paper claim forms, placement of Carolina ACCESS information is changing. When submitting claims on the new format, Carolina ACCESS authorizations are required in block 17a or 17b of the CMS-1500 (08/05) and will be required in Form Locator 78 of the UB-04. N.C. Medicaid is currently accepting the CMS-1500 (08/05) and will begin accepting the UB-04 on March 1, 2007. In order to avoid claim denials due to missing Carolina ACCESS authorization numbers, providers should refer to the December 2006 Special Bulletin, New Claim Form Instructions Special Bulletin regarding specific placement of Carolina ACCESS information. The bulletin can be found here: www.ncdhhs.gov/dma/bulletin/NewClaimFormInstructions.pdf. In this bulletin on pages 29-32, providers can locate the Quick Reference Guide for Carolina ACCESS which will assist providers during this transition.

Attention: Children's Developmental Service Agencies, Health Departments, Home Health Agencies, Hospital Outpatient Clinics, Independent Practitioners, Local Management Entities and Physicians

Prior Authorization for Outpatient Specialized Therapies – New Fax Forms

As announced in the December 2006 bulletin, providers will have the option to electronically submit prior authorization (PA) requests beginning with date of submission February 5, 2007. For providers who continue to submit requests via fax or mail, the use of a new PA form will also begin on February 5, 2007. These new forms and their instructions, organized by provider type and by format (Microsoft Word or PDF), are available at https://www2.mrnc.org/priorauth/pages/Forms.aspx.

The new forms are three pages long. Page 1 can be used for up to four PA requests by simply completing a new line of the table in Section C, Requested Dates of Service. Page 2 includes the order for therapy, the treatment plan of care, and the ICD-9 codes. Page 3 has two versions, one for an initial request and one for reauthorizations as the evaluation and goals change over time.

Beginning with date of submission February 5, these new forms will be the only prior authorization forms accepted by The Carolinas Center for Medical Excellence for prior authorization via fax or mail. If an authorization request is received using the old forms, a missing information letter will be issued requesting the completed new form.

CCME, 1-800-682-2650

Attention: Dental Providers and Health Department Dental Centers

Corrections to American Dental Association Code Updates Published in the January 2007 General Medicaid Bulletin

The following fees were reported incorrectly in the January 2007 general Medicaid bulletin. Effective with date of service January 1, 2007, procedure code D7311 was added to the NC Medicaid program and the description for procedure code D7310 was revised. These changes were a result of the Current Dental Terminology (CDT) 2007 American Dental Association (ADA) code updates. The dental procedure codes, descriptions, limitations, and the corrected fees are listed below.

CDT 2007		Reimbursement
Code	Description and Limitations	Rate
D7311	Alveoloplasty in conjunction with extractions – one to three teeth or tooth spaces, per quadrant	\$82.00
	 * must be at least three edentulous units in a quadrant to qualify for payment for alveoloplasty 	
	 requires a quadrant indicator in the area of oral cavity or tooth number field 	
D7310	Alveoloplasty in conjunction with extractions – four or more teeth or tooth spaces, per quadrant	\$82.00
	 requires a quadrant indicator in the area of oral cavity or tooth number field 	

Providers are reminded to bill their usual and customary charges rather than the Medicaid rate. For coverage criteria and additional billing guidelines, please refer to Clinical Coverage Policy 4A, Dental Services on the Division of Medical Assistance Web site at http://www.ncdhhs.gov/dma/mp/mpindex.htm.

Dental Program DMA, 919-855-4280

Attention: Personal Care Services and Personal Care Services–Plus Providers

${f T}$ opics and Locations for First Quarter Training

The Carolina Centers for Medical Excellence (CCME; <u>www.thecarolinascenter.org</u>) has identified some of the topics to be covered in continued provider training for Personal Care Services (PCS). Training sessions in March 2007 will include the new Physican's Authorization for Certification and Treatment (PACT) form, activities of daily living (ADL) scoring, aide log development, and effective corrective action plans for quality assurance and utilization review.

The training is for registered nurses (RNs), agency administrators, and agency owners. All participants planning to attend should already be familiar with N.C. Medicaid's clinical coverage policies 3C (PCS; <u>http://www.ncdhhs.gov/dma/cc/3C.pdf</u>) and 3J (PCS–Plus; <u>http://www.ncdhhs.gov/dma/cc/3J.pdf</u>). RNs are required to pass the PCS certification exam before performing their first assessment; DMA and CCME recommend that RN attendees have already passed the exam before the seminar.

There is no cost for attending these sessions, but online or faxed pre-registration is required, and space is limited to 200 participants at each session. The following is the schedule of sessions and location information. Sign-in begins at 8:00 a.m.; presentations will start promptly at 9:00 a.m.

March 2, 2007 – Winston-Salem

Marriott Winston-Salem 429 North Cherry Street Winston-Salem, N.C. 27101 336-725-3500 http://marriott.com/property/propertypage/INTMC

March 6, 2007 – Fayetteville

Holiday Inn Fayetteville I-95 South I-95 & NC-53, 1944 Cedar Creek Road Fayetteville, N.C. 28302 910-323-1600 http://www.ichotelsgroup.com/h/d/hi/1/en/hotel/fayso?_requestid=215360

March 16, 2007 – Raleigh

Hilton Garden Inn Raleigh–Durham Airport 1500 RDU Center Drive Morrisville, N.C. 27560 919-840-8088 http://www.raleighhotelsdirect.com/hotel4_home.php

March 23, 2007 – Greenville

Hilton Greenville 207 SW Greenville Boulevard Greenville, N.C. 27834-6907 252-355-5000 http://www1.hilton.com/en_US/hi/hotel/PGVNCHF-Hilton-Greenville-North-Carolina/index.do

March 30, 2007 – Asheville Crowne Plaza Resort–Asheville (formerly Holiday Inn Sunspree) One Holiday Inn Drive Asheville, N.C. 28806 828-254-3211 http://www.ashevillecp.com/

To register online, go to <u>http://www.thecarolinascenter.org/mrnc_web/mrnc/medicaid.aspx?ID=Registration</u> and follow the instructions. A computer-generated confirmation number will confirm your registration.

To register via fax, complete the form following this announcement and fax it to the attention of Jennifer Manning at 919-380-9457. A member of the PCS team will call you with a confirmation number.

Registration will begin January 8 for all sites and will close as early as February 16 for some locations. If you are unable to attend, please contact Jennifer Manning at 919-380-9860, x2018. Your cancellation may allow others to attend.

Please e-mail Jennifer Manning (<u>jmanning@thecarolinascenter.org</u>) at CCME for further information on registration or on the planned agenda.

Facility and Community Care DMA, 919-855-4360

North Carolina Medicaid Bulletin	February 2007
The Carolinas Center <i>for</i> Medical Excellence	
CCME PCS Provider Training Session 3 March 2007 Registration Form	
Location requested: Location Date:	
First Name:	_
Last Name:	-
Credentials:	_
Position:	-
Organization:	
Facility:	
Address:	-
City:, NC Zip:	-
County:	_
UPIN/Provider #:	-
Phone #: Ext:	-
Fax #:	-
Email:	-
Referred by/How did you hear about this event?	
May we send you e-mail updates on new information, features, and tools on the Co	CME web site?
Circle one: Yes No	
Please fax completed form to the attention of Jennifer Manning at 919-380-9457	
23	

Proposed Clinical Coverage Policies

In accordance with Session Law 2005-276, proposed new or amended Medicaid clinical coverage policies are available for review and comment on DMA's Web site at http://www.ncdhhs.gov/dma/prov.htm. To submit a comment related to a policy, refer to the instructions on the Web site. Providers without Internet access can submit written comments to the address listed below.

Loretta Bohn Division of Medical Assistance Clinical Policy Section 2501 Mail Service Center Raleigh, NC 27699-2501

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.

Month	Electronic Cut-Off	Checkwrite Date
February	02/02/07	02/06/07
	02/08/07	02/13/07
	02/15/07	02/20/07
	02/22/07	02/28/07
March	03/01/07	03/06/07
	03/08/07	03/13/07
	03/15/07	03/20/07
	03/22/07	03/29/07
April	04/05/07	04/10/07
	04/12/07	04/17/07
	04/19/07	04/26/07

2007 Checkwrite Schedule

Electronic claims must be transmitted and completed by 5 p.m. on the cut-off date to be included in the next checkwrite. Any claims transmitted after 5 p.m. will be processed on the second checkwrite following the transmission date.

Marke T. Bombon

Mark T. Benton, Senior Deputy Director and Chief Operating Officer Division of Medical Assistance Department of Health and Human Services

Changel Collier

Cheryll Collier Executive Director EDS