

An Information Service of the Division of Medical Assistance Published by EDS, fiscal agent for the North Carolina Medicaid Program

Visit DMA on the Web at: http://www.dhhs.state.nc.us/dma

Attention: All Providers Holiday Observance

The Division of Medical Assistance (DMA) and EDS will be closed on Friday, April 18, 2003, in observance of Good Friday.

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

Attention: All Providers Proposed Medical Coverage Policies

In accordance with Session Law 2001-424, Senate Bill 1005, proposed new or amended Medicaid medical coverage policies are available for review and comment on DMA's website at <u>http://www.dhhs.state.nc.us/dma/prov.htm</u>. To submit a comment related to a policy, refer to the instructions on the website. Providers without internet access can submit written comments to the address listed below.

Darlene Creech Medical Policy Section Division of Medical Assistance 2511 Mail Service Center Raleigh, NC 27699-2511

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.

Darlene Creech, Medical Policy Section DMA, 919-857-4020

Providers are responsible for informing their billing agency of information in this bulletin.

Bold, italicized material is excerpted from the American Medical Association Current Procedural Terminology (CPT) Codes. Descriptions and other data only are copyrighted 2001 American Medical Association. All rights reserved.

In This Issue Page #	In This Issue Page #
All Providers: Holiday Observance	 Hospital Outpatient Clinics: Outpatient Specialized Therapies and Independent Practitioners Medical Coverage Policy Revisions
Ambulance Providers: ♦ New Ambulance Billing Guidelines	 Independent Practitioners: Outpatient Specialized Therapies and Independent
 Area Mental Health Centers: Outpatient Specialized Therapies and Independent Practitioners Medical Coverage Policy Revisions	 Practitioners Medical Coverage Policy Revisions
 Outpatient Specialized Therapies Prior Approval Process5 Developmental Evaluation Centers: 	 Local Education Agencies: Outpatient Specialized Therapies and Independent Practitioners Medical Coverage Policy Revisions
 Outpatient Specialized Therapies and Independent Practitioners Medical Coverage Policy Revisions	Nurse Midwives: ◆ Injectable Drug Coverage through the Pharmacy
 Federally Qualified Health Centers: ♦ Injectable Drug Coverage through the Pharmacy and 	 Medroxyprogesterone Acetate/Estradiol Cypionate, 5 mg/25 mg (Lunelle, HCPCS Code J1056) –
 Physician's Drug Programs	 ♦ Progestacert IUD, W5142 Now End-dated
Billing Guidelines	 Nurse Practitioners: Injectable Drug Coverage through the Pharmacy and Physician's Drug Programs
Practitioners Medical Coverage Policy Revisions4 <u>Health Check Providers</u> :	5 mg/25 mg (Lunelle, HCPCS Code J1056) – Billing Guidelines
 Directions to the Health Check Seminars	 Octreotide Acetate, 1 mg (Sandostatin LAR Depot, J2352) – Clarification to Billing Guidelines
 Health Departments: ♦ Injectable Drug Coverage through the Pharmacy and Physician's Drug Programs	 Physicians: Injectable Drug Coverage through the Pharmacy
 Medroxyprogesterone Acetate/Estradiol Cypionate, 5 mg/25 mg (Lunelle, HCPCS Code J1056) – Billing Guidelines	 and Physician's Drug Programs
 Outpatient Specialized Therapies and Independent Practitioners Medical Coverage Policy Revisions	 Billing Guidelines
 Teleconference for Local Health Departments on Revisions to the Health Check Billing Requirements	 Practitioners Medical Coverage Policy Revisions
 Hearing Aid Providers: ◆ Prior Approval for Ear Molds for Recipients Four Years Old and Younger	 Rural Health Clinics: ♦ Injectable Drug Coverage through the Pharmacy and Physician's Drug Programs
 Home Health Providers: Outpatient Specialized Therapies and Independent Practitioners Medical Coverage Policy Revisions	 Medroxyprogesterone Acetate/Estradiol Cypionate, 5 mg/25 mg (Lunelle, HCPCS Code J1056) – Billing Guidelines

Attention: Ambulance Providers New Ambulance Billing Guidelines

Effective with date of service May 31, 2003, the N.C. Medicaid program will end-date the following codes to comply with the Health Insurance Portability and Accountability Act (HIPAA): Y0050, Y0060, Y0070, Y0002, Y0003, Y0004, and Y0001. Providers must bill the replacement codes listed in the following table, effective with date of service June 1, 2003. The N.C. Medicaid program reimburses according to the level of care provided to the recipient. Call Reports must validate the level of care provided to the recipient.

Old Code	Description	New Code	Description
Y0050	Helicopter, per nautical mile	A0436	Rotary wing air mileage, per statute mile
Y0060	Fixed wing, lift off	A0430	Ambulance service, conventional air services, transport, one-way (fixed wing)
Y0070	Fixed wing, per nautical mile	A0435	Fixed wing air mileage, per statute mile
Y0001	Non-emergency transport, round-trip	T2003	Non-emergency transportation, encounter/trip (round-trip)
Y0002	State-to-state placement, base rate one- way, prior approval required	RC 549	Ambulance/other (state-to-state), prior approval required*
Y0003	Fixed wing, lift off, state-to-state placement, prior approval required		
Y0004	Helicopter, lift off, state-to-state placement, prior approval required		

* Beginning June 1, 2003, providers will indicate state-to-state placement by using Revenue Code 549 in conjunction with the appropriate HCPCS code indicated in this bulletin article or the article in the December 2002 general Medicaid bulletin article (available on DMA's website at http://www.dhhs.state.nc.us/dma/bulletin.htm). Prior approval is required for state-to-state transport.

Fixed Wing Air Ambulance

Definition: Fixed Wing (FW) air ambulance is transportation by FAA-certified FW aircraft providing medically necessary services and supplies.

Rotary Wing Air Ambulance

Definition: Rotary Wing (RW) air ambulance is transportation by FAA-certified helicopter providing medically necessary supplies and services.

Round Trip

Definition: Round trip is non-emergency transportation by ambulance from point of pick-up to destination and return to point of pick-up on the same day by the same provider. If the ambulance remained in the vicinity of the destination, did not return to base, and did not respond to other calls for transport, a round trip should be billed.

Point of Pick-Up

Definition: Point of Pick-Up is the location of the recipient at the time he/she is placed on board the ambulance.

Attention: Area Mental Health Centers, Developmental Evaluation Centers, Independent Practitioners, Physician Services, Local Health Departments, Home Health Providers, Hospital Outpatient Clinics, Head Start Programs, and Local Education Agencies

Outpatient Specialized Therapies and Independent Practitioners Medical Coverage Policy Revisions

Medical coverage policies 8F – Outpatient Specialized Therapies and 8G – Independent Practitioners have been revised. Text pertaining to verbal orders has been deleted from both policies. Coverage criteria and prior approval criteria for occupational therapy, physical therapy, and speech/language therapy has also been added to both policies. The revised policies are now available on DMA's website at http://www.dhhs.state.nc.us/dma/prov.htm.

Nora Poisella, Behavioral Health Services DMA, 919-857-4020

Attention: Physicians, Nurse Practitioners, Health Departments, and Nurse Midwives

Progestacert IUD, W5142 Now End-dated

The N.C. Medicaid program has end-dated the current code for the Progestacert IUD, W5142, effective with date of service October 1, 2002. Because the IUD is no longer being manufactured there is not a replacement code for this product.

Attention: Area Mental Health Centers, Developmental Evaluation Centers, Independent Practitioners, Physician Services, Local Health Departments, Home Health Providers, and Hospital Outpatient Clinics

Outpatient Specialized Therapies Prior Approval Process

Below are some reminders to assist with the flow of the prior approval (PA) process:

- If you fax a PA request to Medical Review of North Carolina (MRNC) and do not get a response within five days, call MRNC at 1-800-228-3365.
- Keep the fax transmission report as evidence of the date you faxed the PA request to MRNC.
- Do not fax or mail a PA request more than three weeks in advance. It will not be accepted and will have to be resubmitted.
- All PA requests require a completed PA request form and a copy of the doctor's current order (within six months). Initial requests must also include a copy of the treatment plan. Reauthorization requests must also include a progress summary. Each treatment plan must include a specific content, frequency, and length of visits for the services.
- The treatment plan for services must include defined goals for each therapeutic discipline.

Note: To assist MRNC with the review, treatment goals should be measurable and progress summaries should address the goals and the progress made.

- The doctor's orders must be dated when signed.
- If more units are needed within a previously requested and authorized time period, specify this on the PA request and include justification.
- If you receive a letter notifying you that specific information is missing from your PA request, include a copy of this letter when you submit the missing information or address the information to the attention of the analyst who requested the information. Failure to do so may result in a processing delay.
- If providers bill using an event code and two events are provided in one visit, be sure to request enough units for the total visit.

Example: If a speech therapist is going to perform swallowing treatment and treatment of speech (92507 and 92526) in the same visit and bills these two CPT codes, then the PA request should be for two units.

- Update your contact information, if needed, with each PA request.
- Remember to request PA using the same provider number that you use for billing.
- Remember that PA is required immediately when a developmental evaluation center-referred child turns six years old during the six-month PA exemption period.

Nora Poisella, Medical Policy Section DMA, 919-857-4020

Attention: Physicians, Nurse Practitioners, Health Departments, Nurse Midwives, Federally Qualified Health Centers, and Rural Health Clinics

njectable Drug Coverage through the Pharmacy and Physician's Drug Programs

The N.C. Medicaid program covers prescription drugs through the outpatient Pharmacy Program that are approved by the Federal Drug Administration (FDA) and whose manufacturers have a rebate agreement on file with the Centers for Medicare and Medicaid Services (CMS). Injectable drugs that meet the criteria mentioned above are automatically covered through the Pharmacy Program, unless it is determined by Medicaid that the drug will only be covered for use in a physician's office. Pharmacies bill Medicaid for all drugs through an online point-of-sale system.

The N.C. Medicaid Physician's Drug Program covers many injectable drugs for use in a physician's office. In this program, the physician submits claims for purchased drugs using the CMS-1500 claim form. All injectable drugs are **not automatically** covered in the Physician's Drug Program. Injectable drugs that are covered by Medicare are **not automatically** covered in the Physician's Drug Program.

A list of injectable drugs that **are** covered through the Physician's Drug Program is published periodically in the general Medicaid bulletin on DMA's website at <u>http://www.dhhs.state.nc.us/dma/bulletin.htm</u>. The most recent injectable drug lists were published in the June 2002 and August 2002 bulletins. Articles about specific drugs are also published in the bulletins, noting either new drug coverage or updated information on injectable drug list was published in the August 2002 bulletin.

Injectable drug coverage information can also be obtained by calling EDS Provider Services at 1-800-688-6696. Providers must indicate whether they are asking about coverage through the Pharmacy Program or the Physician's Drug Program or both.

Injectable drugs that **are not** covered through the Physician's Drug Program may be covered through the Pharmacy Program. Injectable drugs covered through the Pharmacy program must be obtained by prescription.

Attention: Physicians, Nurse Practitioners, Nurse Midwives, Health Departments, Federal Qualified Health Centers, and Rural Health Clinics

Medroxyprogesterone Acetate/Estradiol Cypionate, 5 mg/25 mg (Lunelle, HCPCS Code J1056) – Billing Guidelines

Effective with date of service July 1, 2002, the N.C. Medicaid program covers the monthly contraceptive injection medroxyprogesterone acetate/estradiol cypionate (Lunelle). Providers must bill code J1056 for Lunelle. Billing the therapeutic injection administration code (90782) and the drug code (J1056) does not count toward the 24-visit legislative limit. However, if an E/M code is billed in addition to J1056, the visit will count as one of the 24 visits allowed per year. The legislative limitation of visits does not apply to individuals under the age of 21.

Note: Medicaid will not reimburse for an E/M code when billed with an injection administration code (CPT code 90782).

Billing on the CMS-1500 Claim Form

- Enter ICD-9-CM diagnosis code V25.02 or V25.49 in block 21.
- Enter the date of service in block 24A.
- Enter the place of service in block 24B.
- Bill code J1056 in block 24D.
- Enter the total charges in block 24F.
- Enter the units given in block 24G.
- Enter an "F" in block 24H or append the family planning modifier "FP."

Example:

21 Diagnosis	24A Date(s) of Service	24B Place of Service	24D Procedures, Services or Supplies	24F Charges	24G Days or Units	24H ESPDT Family Plan
V25.02	07062002	11	J1056	\$	1	F

Federally Qualified Health Centers and Rural Health Clinics must enter their six-digit provider number with the alpha "C" for physician services. If a face-to-face encounter with a physician or physician extender occurs on the same date of service as the injection, a core visit may be billed on a separate claim using the clinic's or center's six-digit provider number and the alpha "A."

Providers must bill their usual and customary charge, and should add this drug to the latest lists of injectable drugs published in the June 2002 and August 2002 general Medicaid bulletins. The maximum reimbursement rate for Lunelle is \$24.29.

$\begin{array}{l} \text{Attention: Physicians and Nurse Practitioners} \\ O_{\text{ctreotide Acetate, 1 mg}} \left(\text{Sandostatin LAR Depot, J2352} \right) - Clarification to \\ \text{Billing Guidelines} \end{array} \right.$

This article supercedes the billing instructions for Sandostatin LAR Depot published in the June 2002 general Medicaid bulletin. Effective with date of processing April 1, 2003, providers must bill for ALL dosage kits of Sandostatin LAR Depot with HCPCS code J2352 and submit an invoice with each claim. The paper invoice must indicate the name of the recipient, the recipient's MID number, the name of the medication, the dosage given, the National Drug Code (NDC) number from the vial(s) used, the number of vials used of each NDC, and the cost per dose. Providers should indicate the number of milligrams given in block 24G of the CMS-1500 claim form. Reimbursement is made according to the size of the kit used (10, 20 or 30 mg). This information should be added to the lists of injectable drugs published in the June 2002 and August 2002 general Medicaid bulletins.

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

Attention: Hearing Aid Providers Prior Approval for Ear Molds for Recipients Four Years Old and Younger

Effective March 17, 2003, EDS Prior Approval staff began returning by **fax** to the provider's office approved prior approval (PA) requests for ear molds for recipients who are four years old and younger. The fax includes the Service Review Number (SRN authorization). Prior Approval staff will continue to return by **mail** to the provider's office approved PA requests for ear molds for recipients over the age of four. Prior Approval staff will also continue to return by mail to the provider's office denied PA requests.

Effective immediately, **include the provider's fax number** on PA requests for ear molds for recipients who are four years old and younger.

Note: Only approved PAs for ear molds for children four years old and younger will be returned to the provider's office by fax.

Attention: All Providers Managed Care Seminars

Seminars on the Medicaid Managed Care Program for providers who serve Carolina ACCESS, ACCESS II, and ACCESS III enrollees are scheduled for June 2003. The May 2003 general Medicaid bulletin will have the registration form and a list of dates and site locations for the seminars. Please list any issues you would like addressed at these seminars.

Return form to:

Provider Services EDS P.O. Box 300009 Raleigh, NC 27622

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

Attention: Health Departments

Teleconference for Local Health Departments on Revisions to the Health Check Billing Requirements

A teleconference for local health department staff is scheduled for Thursday, May 22, 2003 from 9:00 a.m. to 12:00 noon via the Public Health Training and Information Network (PHTIN). This session, entitled *Health Check – Revised Requirements,* will cover changes to the Health Check Program, which are included in the revised billing guide.

Registration information for this session has been sent to local health departments. If you did not receive registration information, please contact the Public Health Nursing and Professional Development Unit, Division of Public Health at 919-733-6850.

The April 2003 Special Bulletin I, *Health Check Billing Guide 2003* will serve as the primary handout for the session. Local health departments must access and print the PDF version of the April 2003 Special Bulletin I, *Health Check Billing Guide 2003* from DMA's website at <u>http://www.dhhs.state.nc.us/dma/bulletin.htm</u> and bring it to the teleconference.

Joy Reed, Public Health Nursing and Professional Development Unit Division of Public Health, 919-715-4385

Attention: Health Check Providers Health Check Seminars

Health Check seminars for all providers except health departments are scheduled for May 2003. Attendance at these seminars is very important because Health Check billing requirements will change effective with claims processed on or after July 1, 2003. Due to the changes in Health Check billing, these seminars will only focus on the new Health Check billing requirements and will not include any basic Medicaid billing instructions.

A separate teleconference for local health departments sponsored by the Division of Public Health is scheduled for Thursday, May 22, 2003. Refer to page 9 for information on registering for the teleconference Both the seminars and the teleconference will use the April 2003 Special Bulletin I, *Health Check Billing Guide 2003* as the primary handout for the session. Providers must access and print the PDF version of the special bulletin from DMA's website at http://www.dhhs.state.nc.us/dma/bulletin.htm and bring it to the session.

Preregistration 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. Please indicate on the registration form the session you plan to attend. Seminars begin at 10:00 a.m. and end at 1:00 p.m. Lunch will not be served. Providers are encouraged to arrive by 9:45 a.m. to complete registration.

Directions to the sites are available on pages 10 and 11 of this bulletin.

The registration form for the seminars is on page 11 of this bulletin.

Friday, May 2, 2003	Wednesday, May 7, 2003	Thursday, May 8, 2003
Jane S. McKimmon Center	Blue Ridge Community College	Park Inn
1101 Gorman St.	Bo Thomas Auditorium	Gateway Conference Center
Raleigh, NC	College Dr.	909 Hwy 70 SW
	Flat Rock, NC	Hickory, NC
Tuesday, May 13, 2003	Thursday, May 15, 2003	Tuesday, May 20, 2003
Holiday Inn Conference	Coast Line Convention Center	Greenville Hilton
Center	501 Nutt St.	207 Greenville Blvd. SW
530 Jake Alexander Blvd., S.	Wilmington, NC	Greenville, NC

Directions to the Health Check Seminars

The registration form for the seminars is on page 11 of this bulletin.

Jane S. McKimmon Center – Raleigh, North Carolina

Traveling East on I-40

Salisbury, NC

Take exit 295 and turn left onto Gorman Street. Travel approximately one mile. 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 one mile. The McKimmon Center is located on the right before you reach Western Boulevard.

Blue Ridge Community College, Bo Thomas Auditorium – Flat Rock, North Carolina

Take I-40 to Asheville. Travel east on I-26 to exit 22. Turn right and then take the next right. Follow the signs to Blue Ridge Community College. Turn left at the large Blue Ridge Community College sign. The college is located on the right. Take the first right-hand turn into the parking lot for the Bo Thomas Auditorium.

Park Inn Gateway Conference Center – Hickory, North Carolina

Take I-40 to exit 123. Follow signs to Highway 321 North. Take the first exit (Hickory exit) and follow the ramp to the stoplight. Turn right at the light onto Highway 70. The Gateway Conference Center is on the right.

Holiday Inn Conference Center – Salisbury, North Carolina

<u>Traveling South on I-85</u> Take exit 75. Turn right onto Jake Alexander Boulevard. Travel approximately $\frac{1}{2}$ mile. The Holiday Inn is located on the right.

Traveling North on I-85

Take exit 75. Turn left onto Jake Alexander Boulevard. Travel approximately ¹/₂ mile. The Holiday Inn is located on the right.

Coast Line Convention Center – Wilmington, North Carolina

Take I-40 east to Wilmington. Take the Highway 17 exit. Turn left onto Market Street. Travel approximately 4 or 5 miles to Water Street. Turn right onto Water Street. The Coast Line Inn is located one block from the Hilton on Nutt Street behind the Railroad Museum.

Greenville Hilton – Greenville, North Carolina

Take Highway 64 East to Highway 264 East. Follow 264 east to Greenville. Once you enter Greenville, turn right on Allen Road. After approximately two miles, Allen Road turns into Greenville Boulevard/Alternate 264. Follow Greenville Boulevard for 2 ½ miles. The Greenville Hilton is located on the right.

	(cut and return regi	stration form only)	
		ar Registration Form Fee)	
Provider Name	e	Provider Number	
Address		Contact Person	
City, Zip Code		County	
Telephone Nur	mber () Fax Number () E-mail Address _	
1 or 2 (circle o	ne) person(s) will attend the seminar at		
Return to:	Provider Services EDS P.O. Box 300009 Raleigh, NC 27622	(location)	(date)

Checkwrite Schedule

April 8, 2003	May 6, 2003	June 10, 2003
April 15, 2003	May 13, 2003	June 17, 2003
April 22, 2003	May 20, 2003	June 26, 2003
	May 29, 2003	

Electronic Cut-Off Schedule

April 4, 2003	
April 11, 2003	
April 17, 2003	

May 2, 2003 May 9, 2003 May 16, 2003 May 23, 2003 June 6, 2003 June 13, 2003 June 20, 2003

Electronic claims must be transmitted and completed by 5:00 p.m. on the cut-off date to be included in the next checkwrite. Any claims transmitted after 5:00 p.m. will be processed on the second checkwrite following the transmission date.

Nina M. Yeager, Director

Division of Medical Assistance Department of Health and Human Services

Ricky Pope Executive Director EDS

Presorted Standard U.S. POSTAGE PAID Raleigh, N.C. Permit No. 1087

P.O. Box 300001 Raleigh, North Carolina 27622