

# Provider Insider

Alabama Medicaid Bulletin

October 2011

The Remittance Advice (RA) schedule is as follows:

10/07/11    10/21/11    11/04/11    11/18/11    12/02/11    12/16/11

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](http://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.

## 5010 and NCPDP Transactions

The following 5010 X12 and NCPDP D.0 transactions are being added or updated in preparation for the CMS mandated implementation on January 1, 2012:

- 270/271 - Health Care Eligibility Benefit Inquiry and Response
- 276/277 - Health Care Claim Status Request and Response
- 278 - Health Care Services Review – Request for Review and Response
- 835 - Health Care Claim Payment/Advice
- 837 - Health Care Claim (dental, institutional, and professional)
- NCPDP Batch 1.2
- NCPDP D.0
  - Claim Billing – B1
  - Claim Reversal – B2
  - Eligibility Verification – E1
  - Prior Authorization Request Only – P4
- 999 - Implementation Acknowledgement for Health Care Insurance.

Medicaid will also continue to send the current version of the 277U Health Care Payer Unsolicited Claim Status transaction, TA1 Interchange Acknowledgement, and BRF Batch Response File. Current 4010 and NCPDP 5.1 transactions will continue to be accepted through some means until December 31, 2011. As mandated by CMS, on January 1, 2012 Alabama Medicaid will only accept and send 5010, NCPDP Batch 1.2, NCPDP D.0.

# 5010

will be here  
January 1, 2012

## Are you ready?

If you do not comply,  
you will not be paid!

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## Pass It On!

Everyone needs to know the latest about Medicaid.

Be sure to route this to:

- Office Manager
- Billing Dept.
- Medical/Clinical Professionals
- Other \_\_\_\_\_

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

# HIPAA 5010 Testing

Testing is now available for providers and vendors. Testing 5010 transactions is required and highly encouraged prior to the submission of 5010 transactions into production. If you submit claims through a vendor, your vendor must make the necessary changes for your transactions to be sent to HPES for processing. Please check with your software vendor to make sure they have made the necessary changes. For details regarding 5010 testing please review the website:

[http://www.medicaid.alabama.gov/CONTENT/6.0\\_Providers/6.5\\_HIPAA\\_5010.aspx](http://www.medicaid.alabama.gov/CONTENT/6.0_Providers/6.5_HIPAA_5010.aspx)

The following transaction types are currently available for testing through the Trade Files option via the testing website:

- 270 Eligibility Request/271 Eligibility Response
- 276 Claim Status Request/277 Claim Status Response
- 999 HIPAA Compliance Response

It is anticipated all transactions will be available for testing on or before December 1, 2011. As new transactions become available notification will be sent.

## Companion Guide

The Alabama Medicaid 5010 Companion Document and the NCPDP D.0 Companion Guide are available for review:

[http://www.medicaid.alabama.gov/CONTENT/6.0\\_Providers/6.3\\_Companion\\_Guides.aspx](http://www.medicaid.alabama.gov/CONTENT/6.0_Providers/6.3_Companion_Guides.aspx)

## Test Setup

Please contact the EMC Help Desk prior to starting testing as a minimal amount of setup must be done for each Trading Partner prior to the submission of 5010 transactions. This setup only needs to be done initially to start testing and each Trading Partner will be set up for the submission of all 5010 transactions, however only the available transactions should be submitted for testing.

When contacting the EMC Help Desk, request that Trading Partner ID be updated for testing 5010 transactions and provide the Trading Partner ID to the representative on the phone. The help desk will provide a time when testing will become available once setup is complete.

- (800) 456-1242 - AL, FL, GA, MS and TN
- (334) 215-0111 - All other locations
- Fax: (334) 215-4272
- Email: [AlabamaSystemsEMC@hp.com](mailto:AlabamaSystemsEMC@hp.com)

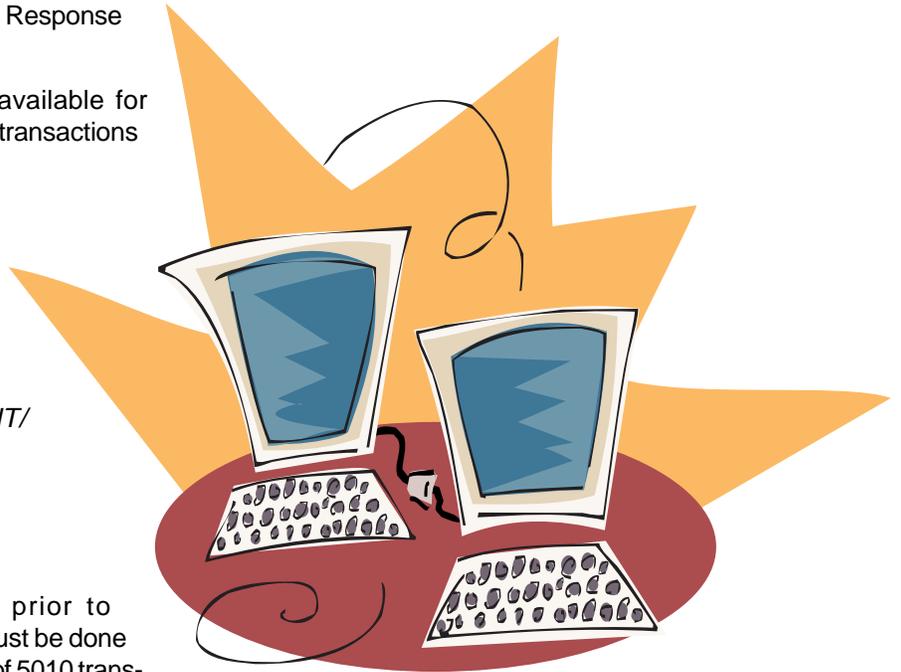
## NCPDP D.0 Version Changes

The NCPDP D.0 version offers new functionality related to the reporting of other payer patient responsibility data. With the implementation of D.0, Alabama Medicaid will begin capturing values sent in fields:

- 353-NR (other payer patient responsibility count)
- 351-NP (other payer patient responsibility qualifier)
- 352-NQ (other payer patient responsibility amount)

When a payment has been received from another payer, the amount reported in the patient pay amount (505-F5) must be entered in the 352-NQ field, along with an "06" qualifier code in field 351-NP. Alabama Medicaid will consider this amount submitted in determining the final amount that Medicaid will pay.

In addition, if the value in the other coverage code field (308-C8) indicates other coverage exists (values 02, 03, 04, or 08), then the 352-NQ field must be greater than zero or the claim will reject.



# **Summary of 5010 Claim Changes**

## **Provider Electronic Solutions (PES) Software Users:**

**P**roviders will need to **upgrade** to the most current version (2.16) before upgrading to the 5010 version (3.0). Version 3.0 will be available for download once Alabama Medicaid is ready to accept 5010 X12 and NCPDP D.0 transactions. Once you download and install version 3.0, you will only be able to send 5010 and NCPDP D.0 transactions. Upgrade instructions are currently on the RA Banners and the Web Portal. If you need assistance with the upgrade or have additional questions, please contact the EMC Helpdesk at 1-800-456-1242 or [AlabamaSystemsEMC@eds.com](mailto:AlabamaSystemsEMC@eds.com).

### **How will Provider Electronic Solutions Change With Version 3.0?**

Generally visible changes are minimal with the most dramatic changes occurring on Health Care Services Review (Prior Authorization) screens. Overall, some fields have been removed and others have been added, valid values lists have been updated, and some field lengths have changed. The greatest impact will be that users will not be allowed to copy claims submitted in the pre-3.0 format. By upgrading to version 3.0 the PES provider and recipient information will be preserved. However, the claims information will not. You can still use the web portal to retrieve your claims. Once claims have been recreated, they may then be copied and edited for future submissions. Additional details will be forthcoming. For specific information, refer to the Provider Electronic Solutions Manual.

### **Adjustments of Claims**

During the concurrent processing timeframe, adjustments can be submitted in either 4010 or 5010 formats (with the exception of PES and Web Portal which will not have a concurrent processing period). Beginning on January 1, 2012, when only 5010 and NCPDP D.0 transactions will be accepted, all provider submitted adjustments will be in the new format. Standard 5010 PES and Web Portal edits will notify the user of any missing data when adjusting a claim submitted in the previous format.

### **Paper Claims**

There are no changes to the paper claim form. Any code values that have changed will be systematically converted. A larger prescription number (up to 12 characters) will be accepted on Pharmacy claims.

### **Secondary Identifier Qualifier Code Changing**

When using a secondary provider identifier (i.e. Medicaid Provider number) in claims submission, the current qualifier code is 1C or 1D. These codes are being replaced with G2. Paper claims submitted with these values will be automatically converted to G2.

### **Submitting Medicare Crossover Claims**

For 5010 transactions, the Medicare allowed amounts can no longer be submitted by the provider. The Medicaid claims processing system will systematically calculate the allowed amount based on the Medicare paid amount and adjustment amounts submitted on the claim. WEB and paper claims will continue to require the Medicare allowed amount to be submitted.

### **Patient Reason for Visit Required on Outpatient Hospital Claim**

A new edit will be implemented for providers submitting institutional claims. Edit 255 will require a patient reason code for the visit to be present on claims with type of bill 013X (outpatient hospital claim) with type of admission 1, 2 or 5 (emergency, urgent care, trauma center) when revenue code 045X (emergency room), 0526 (urgent care clinic) or 0762 (observation room) is present on the claim.

### **Additional Diagnosis Codes Allowed for Providers Submitting 837P Transactions**

Providers submitting 837P transactions will be allowed to submit up to twelve diagnosis codes instead of the current limit of eight. In order to prepare for the implementation of ICD-10 diagnosis and surgical procedure codes, the claim file formats have been modified to accept the larger values. However, any ICD-10 diagnosis or surgical procedure values submitted prior to October 1, 2013 will be denied.

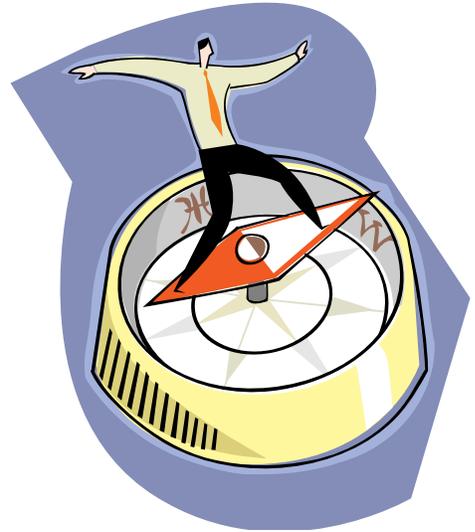
### **Claim Payment/Advice (835 Transaction)**

During the concurrent processing period where both versions 837 X12 and NCPDP transactions are being received and processed, both 4010 and 5010 835 transactions will be produced for each and will be made available as separate files through the normal process. This will provide vendors the ability to retrieve whichever version is needed. As of January 1, 2012, only 5010 transactions will be created.

## 5010 Prior Authorization Changes

The Prior Authorization (PA) transaction format has changed significantly with the implementation of HIPAA 5010 (278) and the following information is what Alabama Medicaid is expecting to receive when submitting a PA request for services.

- Alabama Medicaid is expecting a single servicing provider per PA.
- Alabama Medicaid is expecting a single diagnosis code per PA.
- Alabama Medicaid is expecting a single PA service type code per request. For example a request for Medical Services would not be combined with a request for Dental services on a single PA, but submitted separately.
- Although ICD-10 values can be entered only ICD-9 values will be accepted until ICD-10 is implemented.



### Prior Authorization Assignment Code Crosswalk

Alabama Medicaid has provided this crosswalk as a reference for understanding how the Prior Authorization Assignment Codes in 4010 will be related to the new 5010 assignment codes, specifically 4010 codes that are retired (48, 50) and no longer available with 5010. Once 5010 has been implemented all 4010 assignment codes will be converted to a 5010 assignment code as listed in the table below with the exception of codes 48 and 50. All new Prior Authorization records created through the HIPAA 4010 278 process will be returned on the 278 response with a 4010 code as submitted, but will be converted and saved to the Medicaid Management System as a 5010 code. To search for a Prior Authorization after 5010 implementation has occurred, search for the new 5010 Assignment Code descriptions.

#### 4010 Assignment Codes - 48 - Hospital Inpatient

##### 5010 Assignment Codes - 69 - Maternity, 40 - Oral Surgery

The 4010 PA assignment code '48' is being closed. The existing PAs are not being converted to the new assignment codes; for existing PA numbers search using 'Hospital – Inpatient'. When creating new PAs use the following 5010 code that best fits the service type: **Hospitals will use 69 - Maternity. All others will use 40 - Oral Surgery**

#### 4010 Assignment Codes - 50 - Hospital Outpatient

##### 5010 Assignment Codes - 88 - Pharmacy, 40 - Oral Surgery

The 4010 PA assignment code '50' is being closed. The existing PAs are not being converted to the new assignment codes; for existing PA numbers search using 'Hospital – Outpatient'. When creating new PAs use the following 5010 code that best fits the service type: **88 - Pharmacy 40 - Oral Surgery**

#### 4010 Assignment Codes - 56 - Ground Transportation

##### 5010 Assignment Codes - 56 - Medically Related Transportation

The description of code '56' is changing from 'Ground Transportation' to 'Medically Related Transportation'. When searching for PAs use 'Medically Related Transportation'.  
(Continued on page 5)

[www.medicaid.alabama.gov](http://www.medicaid.alabama.gov)

## **Prior Authorization Assignment Code Crosswalk**

(Continued from page 4)

### **4010 Assignment Codes - 57 - Air Transportation**

#### **5010 Assignment Codes - 56 - Medically Related Transportation**

The 4010 PA assignment code '57' is being closed. The existing PAs are being converted to the new assignment code. When creating new PAs or searching for existing PAs use the following 5010 code: **56 - Medically Related Transportation**

### **4010 Assignment Codes - 98 - Professional Visit - Office**

#### **5010 Assignment Codes - 88 - Pharmacy**

The existing PA assignment code '98' is being closed. The existing PAs are being converted to the new assignment code. When creating new PAs or searching for existing PAs use the following 5010 code: **88 - Pharmacy**

### **4010 Assignment Codes - 99 - Professional Visit - Inpatient**

#### **5010 Assignment Codes - 88 - Pharmacy**

The existing PA assignment code '99' is being closed. The existing PAs are being converted to the new assignment code. When creating new PAs or searching for existing PAs use the following 5010 code: **88 - Pharmacy**

### **4010 Assignment Codes - A0 - Professional Visit - Outpatient**

#### **5010 Assignment Codes - 88 - Pharmacy**

The existing PA assignment code 'A0' is being closed. The existing PAs are being converted to the new assignment code. When creating new PAs or searching for existing PAs use the following 5010 code: **88 - Pharmacy**

### **4010 Assignment Codes - A3 - Professional Visit - Home**

#### **5010 Assignment Codes - 88 - Pharmacy**

The existing PA assignment code 'A3' is being closed. The existing PAs are being converted to the new assignment code. When creating new PAs or searching for existing PAs use the following 5010 code: **88 - Pharmacy**

### **4010 Assignment Codes - A7 - Psychiatric - Inpatient**

#### **5010 Assignment Codes - A4 - Psychiatric**

The existing PA assignment code 'A7' is being closed. The existing PAs are being converted to the new assignment code. When creating new PAs or searching for existing PAs use the following 5010 code: **A4 - Psychiatric**

### **4010 Assignment Codes - A8 - Psychiatric - Outpatient**

#### **5010 Assignment Codes - CQ - Case Management**

The existing PA assignment code 'A8' is being closed. The existing PAs are being converted to the new assignment code. When creating new PAs or searching for existing PAs use the following 5010 code: **CQ - Case Management**

### **4010 Assignment Codes - AC - Rehabilitation - Outpatient**

#### **5010 Assignment Codes - CQ - Case Management**

The existing PA assignment code 'AC' is being closed. The existing PAs are being converted to the new assignment code. When creating new PAs or searching for existing PAs use the following 5010 code: **CQ - Case Management**

### **4010 Assignment Codes - PH - Pharmacy**

#### **5010 Assignment Codes - 88 - Pharmacy**

The existing internal PA assignment code 'PH' is being closed. The existing PAs are being converted to the new assignment code. When creating new PAs or searching for existing PAs use the following 5010 code: **88 - Pharmacy**

## Pharmacy Changes Effective October 2011

### Antipsychotics:

Effective October 3, 2011, the Alabama Medicaid Agency will require prior authorization (PA) of all antipsychotic medications utilizing the electronic PA process. The PA process will affect all recipients (children and adults) as well as all antipsychotics (brand and generic, first and second generation). The PA criteria for this drug class can be found on the Agency's website at [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov).

Claims not approved through the electronic PA process at the pharmacy point of sale will require a manual PA form to be submitted; prescribers will receive automatic fax notification if additional medical justification is required.

### Four Brand Limit:

Effective October 1, 2011, the Alabama Medicaid Agency will limit the number of brand name prescriptions to four per month per recipient. There will not be a limit on the number of covered generic or over-the-counter prescriptions a recipient may receive. This limitation does not apply to children under the age of 21 or to recipients living in nursing facilities. In certain drug classes, allowances are allowed in the event of an adverse or allergic reaction, or failure to respond. Medicaid will also continue to allow for prescriptions to exceed the four brand limit for anti-psychotic and anti-retroviral medications; however, there will be no instance where the limit may exceed ten brand name drugs per month per recipient. Providers with questions concerning the prescription limitation should contact:

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

### PA for Protonix:

Effective October 1, 2011, the Alabama Medicaid Agency will no longer require prior authorization (PA) for payment of generic pantoprazole (Protonix). Brand name Protonix will continue to require prior authorization.

For additional PDL and coverage information, visit our drug look-up site which can be accessed using the following link:  
[http://medicaid.alabama.gov/CONTENT/4.0\\_Programs/4.5\\_Pharmacy\\_Services.aspx](http://medicaid.alabama.gov/CONTENT/4.0_Programs/4.5_Pharmacy_Services.aspx)

### PA Request Information:

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's website at [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov) and should be utilized by the prescribing physician or the dispensing pharmacy when requesting a PA. Providers requesting PAs by mail or fax should send 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.

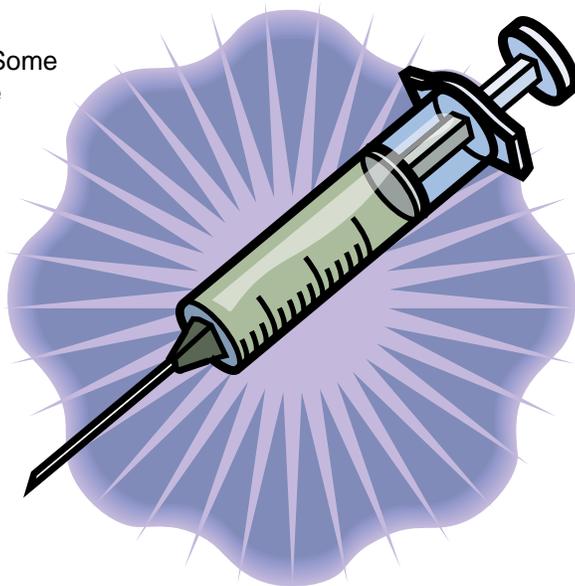


## **Synagis® Criteria for 2011 – 2012 RSV Season**

The Alabama Medicaid Agency has updated the prior authorization criteria for Synagis® during the 2011-2012 RSV season. Below are some highlights for the season. Complete criteria can be found on the website at the following link:

[http://medicaid.alabama.gov/CONTENT/4.0\\_Programs/4.5.0\\_Pharmacy/4.5.14\\_Synagis.aspx](http://medicaid.alabama.gov/CONTENT/4.0_Programs/4.5.0_Pharmacy/4.5.14_Synagis.aspx)

- The approval time frame for Synagis® will begin October 1, 2011 and will be effective through March 31, 2012.
- Up to five doses will be allowed per recipient in this timeframe. Some recipients may only receive up to a max of 3 doses, depending on the gestational and chronological age.
- There are no circumstances that will result in approval of a sixth dose.
- If a dose was administered in an inpatient setting, the date the dose was administered must be included on the request form.
- For approval of requests, the recipient must meet gestational and chronological age requirements. In order to meet chronological age requirements, the recipient must not exceed the specified age at the start of the RSV season.
- Prescribers, not the pharmacy, manufacturer or any other third party entity, are to submit requests for Synagis® on a separate prior authorization form (Form 351) directly to Health Information Designs and completed forms may be accepted beginning September 1, 2011 (for an October 1 effective date).
- Stamped or copied physician signatures will not be accepted and will be returned to the provider.
- A copy of the hospital discharge summary from birth or documentation of the first office visit with pertinent information (gestational age, diagnosis, etc.) is required on all Synagis® PA requests.
- If approved, each subsequent monthly dose will require submission of the recipient's current weight and last injection date and may be faxed to HID by the prescribing physician or dispensing pharmacy utilizing the original PA approval letter.
- Letters will be faxed to both the prescriber and the dispensing pharmacy notating approval or denial.



### **Criteria**

Alabama Medicaid follows the 2009 updated American Academy of Pediatrics (AAP) guidelines regarding Synagis® utilization. Additional questions regarding Synagis® criteria can be directed to the Agency's Prior Authorization contractor, Health Information Designs at 1-800-748-0130.

## **Imported Levoleucovorin Use Due to Fusilev Shortage J0641**

To manage ongoing shortages of Leucovorin and Levoleucovorin, the FDA has authorized Spectrum Pharmaceuticals to import Levoleucovorin 100 mg powder for injection manufactured by Pfizer into the US market from Italy. No other entity except for Spectrum is authorized by the FDA to import or distribute Pfizer Levoleucovorin 100 mg powder for injection in the US.

Effective with dates of service February 1, 2011 forward, providers should use the created NDC number 99999-9991-00 when billing for the 100 mg vial.

If billing for the 50 mg vial, use NDC 68152-0101-00.

When billing Levoleucovorin, continue to use HCPCS code J0641.

The Medicaid claim processing system has been modified to accept both NDCs as valid for J0641. For questions, contact HP Provider Assistance at 1-800-688-7989.

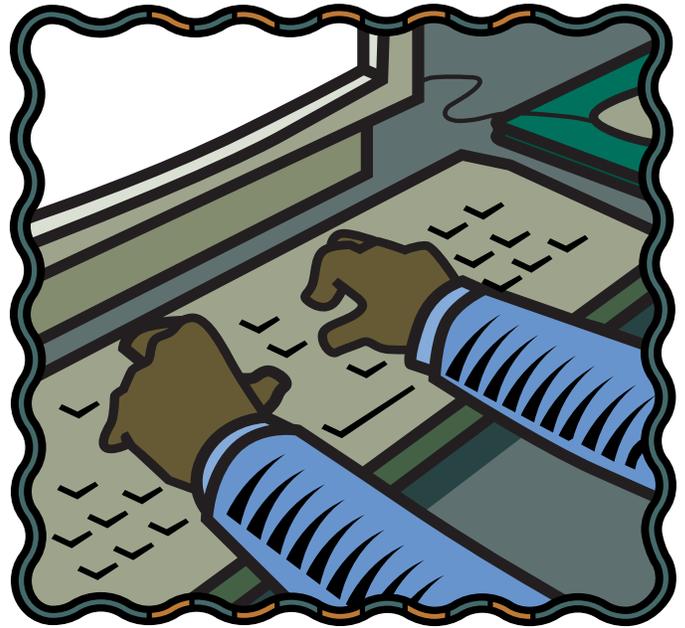
## ***ePrescribe System is Coming to Alabama Medicaid***

The HPES Healthcare ePrescribe System gives providers the ability to electronically transmit most prescriptions directly to the pharmacy.

Enrolled prescribers utilizing the ePrescribe system will be able to transmit prescriptions electronically to a Surescripts participating pharmacy designated by the patient. The transmission occurs through the network connections between the prescriber's office, Surescripts, and the pharmacy. As part of this process, prescribers will have access to formulary and benefit information that applies to patients determined to be eligible for pharmacy benefits.

The Healthcare ePrescribe System will be available through the existing web portal. To use the Healthcare ePrescribe System, providers must be a Medicaid registered provider and request a log-on which is separate from the web portal log-on. A form is available on page 9 of the Insider to complete and send in to obtain an ePrescribe ID. If the provider is permitted to prescribe electronically, the ePrescribe link will appear on the provider page of the provider portal.

A provider is required to register with the Healthcare ePrescribe System. The onetime ePrescribe prescriber registration process requires entry of several key pieces of information. This includes name and contact information, DEA number (for prescribing controlled substances on paper), provider specialty and a self created Personal Identification Number (PIN) which is used by the prescriber to finalize prescriptions written using this system. In addition, the prescriber must indicate if he/she grants access to portal delegates to perform clerical functions such as updating the patient profile or performing an eligibility transaction. If the Grant Delegate Access is set to 'Yes', provider portal delegates for that prescriber can have the ability to access the clerical functions of ePrescribe. Please note that delegates do not have the capability to finalize a prescription because the prescriber PIN is needed to complete this process. Upon completion of the prescriber profile, the only time the prescriber needs to access the profile is to update any profile information.



### ***New NDC Look-up Site***

Effective October 1, 2011, the current NDC Look-up Site will be retired. It will be replaced with an NDC Look-up Site available through Medicaid's Interactive Website. Users will access the current Medicaid Interactive Web Portal using the following address:

<https://www.medicaid.alabamaservices.org/ALPortal/Account/Secure%20Site/tabId/65/Default.aspx>.

Users will then click the tab labeled 'NDC Look-up.' A user ID and password is NOT required to access this portion of the web portal. Once the NDC look-up panel is accessed, searches can still be done by NDC, NDC and date, drug name or drug name and date.

As always, information contained on this website is not a guarantee of payment. Medicaid will continue to pay for medication pursuant to current Medicaid policies.

## **Flu Season is Here!**

Annual influenza vaccination is the most effective method for preventing influenza virus infection and its complications. Flu vaccination is a covered service for eligible recipients.

## ePrescribe ID Request Form

Please fill out the form in its entirety and return to the EMC Help Desk via mail, email or by fax.

EMC Help Desk  
HP Enterprise Service  
301 Technacenter Drive  
Montgomery, AL 36117  
Email: AlabamasystemsEMC@hp.com  
Fax: (334) 215 – 4272  
Phone: (800) 456 – 1242 / (334) 215 – 0111

Provider Name \_\_\_\_\_

NPI Number \_\_\_\_\_

Medicaid Number \_\_\_\_\_

DEA # \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Telephone Number \_\_\_\_\_

Email \_\_\_\_\_

Contact Name \_\_\_\_\_

Please check which software solution is used for the submission and retrieval of Medicaid information.

Provider Electronic Solutions

Vendor software solution

Clearinghouse

ePrescribe

Other, please explain:

## ***Federal Rules Governing the Hospice Program***

The federal rules governing the Hospice Program provides that an additional amount is paid to the hospice on behalf of an individual residing in a nursing facility. This amount must equal at least 95% of the per diem rate that the Medicaid Agency would have paid to that nursing facility for the individual in that facility. For example, if you have three (3) individuals receiving hospice services through your Agency, each residing in a different nursing facility, you should bill the room and board for each individual based upon 95% of that facility's per diem rate. If the per diem rate for the facility is \$135.00, you should bill the room and board at \$128.25.

If you are not aware of what the nursing facility per diem rate is, you should first request this information directly from the nursing facility. If you are unable to obtain this information from the nursing facility, you may request this information in writing from the Alabama Medicaid Agency, LTC, Provider/Recipient Services Unit, 501 Dexter Avenue, Montgomery, AL 36103-5624, or fax to (334) 353-5696. Below is a sample letter for you to recreate in requesting this information.

LTC, Provider/Recipient Services Unit  
501 Dexter Avenue  
Montgomery, Alabama 36103-5624  
FAX #: (334) 353-5696

Requesting Hospice Provider: \_\_\_\_\_

Hospice Provider #: \_\_\_\_\_

Hospice Provider Telephone #: \_\_\_\_\_

Hospice Provider Fax #: \_\_\_\_\_

Contact Person's Name: \_\_\_\_\_

Nursing Facility: \_\_\_\_\_

Address: \_\_\_\_\_

Do you now provide Hospice services to individuals in this facility?                      Yes      or      No

Received AMA: \_\_\_\_\_

Returned by Fax on: \_\_\_\_\_

Signature: \_\_\_\_\_

## Coming Soon!

### **Electronic Provider Enrollment Web Portal**

The Alabama Medicaid Agency will be implementing an electronic provider enrollment web portal application. The Alabama Medicaid Provider Enrollment Web Portal will allow new providers to enroll with Alabama Medicaid. This site will be available 24-hours a day, seven days a week, excluding time for scheduled maintenance. The address to access the portal is [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov).

A user ID or password is not required to access and submit a Provider Enrollment application, however, when selecting the “finish later” function a tracking number, tax ID and password will be required. The password must be 8 to 20 characters in length, not the same as the user ID and contain a minimum of 1 numeric digit, 1 uppercase letter and 1 lowercase letter. Be aware that HP staff cannot retrieve the passwords and passwords cannot be reset. To check the status of a submitted enrollment application, a tracking number and tax ID will be required.

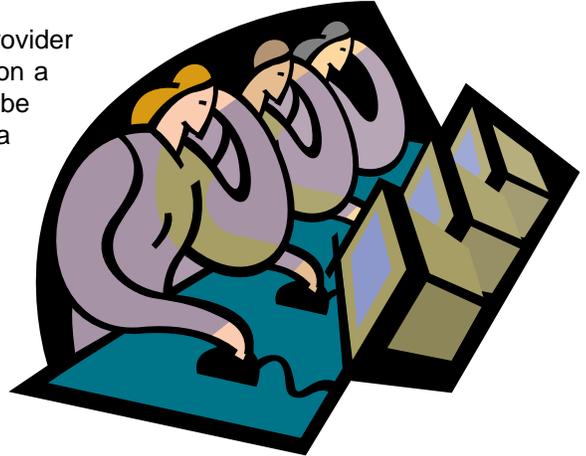
Once the application is submitted and confirmed, a tracking number will be assigned and a bar-coded cover sheet must be printed for submission with all materials to HPES Provider Enrollment. The applicant will be required to use the bar coded cover sheet with both faxed and mailed information. Please consult the website to learn what forms are required.

A training guide will be available with step by step instructions on navigating through the web portal. The address to access the training guide is [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov).

Training will be available to providers requesting assistance with completing the electronic enrollment application. Providers requiring training should contact their Provider Representative at 1-800-688-7989 (in-state) or (334) 215-0111 (out-of-state).

### **On-line Provider Contact Information Update Capability**

For providers who are already enrolled in Medicaid, you will be able to update your contact information, telephone numbers, and address using the existing provider portal. However, for changes to the “service location address,” please follow the current procedures and contact HPES’ Provider Enrollment.



### **Federal Regulations Requiring Medicaid Re-enrollment Every Five Years**

New federal regulations require that all providers re-enroll with Medicaid every five (5) years. To comply with this regulation, HP Enterprise Services will begin re-enrolling providers on October 1, 2011. The first providers which will require re-enrollment are providers with an enrollment date prior to October 1, 1999. HPES will move forward with re-enrollment using enrollment dates over the next several years. Providers will be notified via mail when re-enrollment is required and provided instructions on how the re-enrollment process will proceed.



## Pharmacy Providers Enrolled for DME

Pharmacy providers that are enrolled with Alabama Medicaid as Durable Medical Equipment (DME) providers must follow DME billing procedures to receive reimbursement for services provided to Alabama Medicaid recipients. When billing for DME items and supplies, you must bill with the correct HCPC code, not NDC codes.

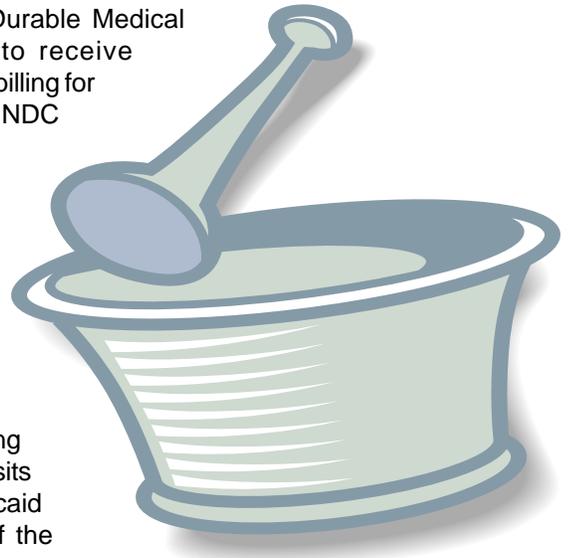
If you are having difficulty submitting your claims for diabetic strips (A4253) and lancets (A4259) or any other DME items or supplies, please contact your HPES provider representative for assistance.

Your HPES provider representatives are:

- Hayley Lavender (334) 215-4158 Email: [hayley.lavender@hp.com](mailto:hayley.lavender@hp.com)
- Shamekia Pena (334) 215-4199 Email: [shamekia.pena@hp.com](mailto:shamekia.pena@hp.com)

Your HPES provider representatives can assist you with any DME billing problems you may have. HPES provider representatives also make onsite visits for purposes of training to any DME company enrolled as an Alabama Medicaid provider located in the state of Alabama, or within a thirty-mile radius of the Alabama state line.

If you have any questions regarding DME policies or DME coverage issues, please contact the Pharmacy DME Unit at 334-353-4753 or 334-353-4756.



## Newly Covered Code for the Prosthetic, Orthotic and Pedorthic Program

Effective immediately, Medicaid has approved Procedure Code L5972 (Flexible Keel Foot) as a newly covered code for the Prosthetic, Orthotic, and Pedorthic Program.

Procedure Code L5972 must be provided by a licensed prosthetic, orthotic and/or pedorthic practitioner in the State of Alabama practicing at an accredited facility. The provider must obtain a written prescription, must keep the prescription on file, and must have supporting documentation that the device is medically necessary.

Medicaid pays for basic level prosthetic, orthotic, and pedorthic devices for ages 21 to 65. For questions or concerns regarding the POP Program, please contact Felicha Fisher at (334) 353-5153.

## DME Wheelchair Changes

Effective October 1, 2011, the Alabama Medicaid Agency's Motorized/Power Wheelchair Assessment Form 384 must be completed and signed by a licensed Occupational Therapist or Physical Therapist with prior authorization requests for custom manual wheelchairs provided for children through the EPSDT program and for manual wheelchairs with additional accessories for adults.

Completion of Form 384 is already required for all power wheelchairs for children and adults.

Providers are no longer required to obtain the physician's signature on the Motorized/Power Wheelchair Assessment Form 384.

If you have questions or need further clarification, please contact Ida Gray at (334) 353-4753 or Linda Stephens at (334) 242-5144.

## Reminder

This is a reminder that the ICD-9-CM updates will be effective for dates of service on or after October 1, 2011.



## ***Prescribing Physician's NPI or License Number on Pharmacy Claims***

Pharmacies participating in the Alabama Medicaid program are required to use the prescribing physician's NPI or license number when filing a claim with the Agency. A recent review of pharmacy billing practices found that numerous pharmacies are using an incorrect prescribing physician number on claims submitted to the Agency.

Effective October 17, 2011, the Alabama Medicaid Agency will no longer recognize physician license number 19776 on any claims. Pharmacy providers should coordinate with their software vendors to validate physician license number 19776 or any other 'pseudo number' is not hard coded in their system for Alabama Medicaid claims processing.

Providers are reminded that any pharmacy claim with an incorrect prescribing physician number is subject to recoupment. Pharmacies with repeated violations will be subject to revocation of their Medicaid provider agreement, and referral to federal or state law enforcement personnel for criminal prosecution.



## ***New Medicaid Enrollment Requirements for Prescribing, Ordering or Referring Providers***

Federal law now requires all physicians and other practitioners who prescribe or order services for Medicaid recipients, or who refer Medicaid recipients to other providers must be enrolled as a participating Medicaid Provider no later than December 31, 2011.

As a result, services rendered based on a referral, order, or prescription will be reimbursable only if the referring, ordering, or prescribing physician or practitioner is enrolled in the Alabama Medicaid Program, effective January 1, 2012.

**Residency Information:** On January 1, 2012, interns and non-licensed residents must use the NPI or license number of the teaching, admitting, or supervising physician on the claim for reimbursement. If the resident has a medical license, then the resident must be enrolled with Medicaid to qualify for reimbursement. If the licensed resident is not enrolled, he/she may not be identified on a Medicaid claim as the Prescribing, Ordering or Referring provider.

To accommodate the new federal law, the Alabama Medicaid Agency is changing its policy for a physician enrolled in and providing services through a **residency** training program. Medicaid will no longer require these physicians be assigned a pseudo Medicaid license number to be used on prescriptions written for Medicaid recipients.

A new application is being developed for those providers who do not routinely treat Alabama Medicaid recipients for payment. These physicians and practitioners will be able to enroll as a Prescribing, Ordering or Referring Alabama Medicaid non-provider. Providers will be notified when the enrollment application is available.

Please contact HPES Provider Enrollment at 1-888-223-3630 (in-state) or 1-334-215-0111 (out-of-state) with any questions or go to: [http://www.medicaid.alabama.gov/CONTENT/8.0\\_Contact/8.2.5\\_Provider\\_Enrollment.aspx](http://www.medicaid.alabama.gov/CONTENT/8.0_Contact/8.2.5_Provider_Enrollment.aspx).

***[www.medicaid.alabama.gov](http://www.medicaid.alabama.gov)***

## ***New Award for Central Source Contractor for Eyeglasses***

The Alabama Medicaid Agency awarded a new contract through an Invitation To Bid process to Steven Baker, Inc., D/B/A Korrekt Optical as the Central Source Contractor for Eyeglasses. The effective date of the contract was July 1, 2011. Korrekt Optical began accepting eyeglass orders on Tuesday, September 6, 2011. Korrekt Optical's Customer Service number is 1-800-624-4225.

The Alabama Medicaid Provider Manual, Chapter 15 was updated in the October 2011 edition to include prices and approved frames. The manual will include changes made in the Eye Care Program regarding eyeglasses, such as previous stand-alone codes will now become add-on codes. Previously, stand-alone lens codes could not be billed with other lens. With add-on codes, the lens code and the applicable add-on code may both be billed on the same date of service. The changes will provide Alabama Medicaid with improved utilization data.

Eye Care providers may continue to order or fabricate eyeglasses as in the past and at the new contracted allowed amounts. Please refer to the Alabama Medicaid Provider Manual, Chapter 15, for the Eye Care Program policies and for the new allowed amounts for lens, add-on codes, prior authorization codes, and frame codes. The new contracted allowed amounts for eyeglasses became effective August 1, 2011.

The Alabama Medicaid Agency is appreciative of your contributions and efforts as a Medicaid Eye Care Provider.



### ***Korrekt Optical is Ready to Accept Orders***

The Alabama Medicaid Agency's new central source contractor, Korrekt Optical, is now accepting orders on their website at [www.korrekt.com](http://www.korrekt.com). On their home page, a link is provided to assist Alabama Medicaid Providers with the placement, processing, and tracking of optical orders with Korrekt Optical. Also, instructions for the web ordering system and a printable PDF Optical Order Form for submission via fax or mail can be found on the website. Customer service representatives are available from 6:30 a.m. to 11 p.m. CST at 1-800-624-4225 for assistance.

Under this new contract, replacement frames will be replaced by Korrekt Optical at no cost to the provider or Alabama Medicaid.

Please refer to Chapter 15 of the October 2011 Alabama Medicaid Provider Manual for additional information about the changes to the Eye Care program.

If you have any questions, you may contact Leigh Ann Hixon, RN, by telephone at (334) 353-3031 or by email at [leighann.hixon@medicaid.alabama.gov](mailto:leighann.hixon@medicaid.alabama.gov).



**[www.medicaid.alabama.gov](http://www.medicaid.alabama.gov)**

***Korrekt Optical***  
**[www.korrekt.com](http://www.korrekt.com)**  
**(800) 624-4225**

**Hours:**  
**6:30 a.m to 11 p.m**  
**Central Standard Time**

## **Top 5 Reasons for Claim Denials for NCCI Edit or Multiple Surgery Audit 5656**

1. **Missing anatomical modifiers:** E1 – E4, FA, F1 – F9, TA, T1 – T9, LC, LD, and RC.
2. **Missing RT or LT modifiers for bilateral procedures on separate detail line items (Modifier 50 is informational only).**

Example:

Line 1: 49495 RT

Line 2: 49495 LT

3. **Missing modifier 59 for distinct procedural services.**

From an NCCI perspective, the definition of different anatomic sites includes different organs or different lesions in the same organ. However, it does not include treatment of contiguous structures of the same organ. For example, treatment of the nail, nail bed, and adjacent soft tissue constitutes treatment of a single anatomic site. Treatment of posterior segment structures in the ipsilateral eye constitutes treatment of a single anatomic site. Arthroscopic treatment of a shoulder injury in adjoining areas of the ipsilateral shoulder constitutes treatment of a single anatomic site.

4. **Missing modifier 25 for significant, separately identifiable evaluation and management service by the same physician on the same day of the procedure or other service.** Modifier 25 may be appended to an evaluation and management (E&M) CPT code to indicate that the E&M service is significant and separately identifiable from other services reported on the same date of service.
5. **Improper billing of “scout” procedures.** For example, if an arthroscopy is performed as a “scout” procedure to assess the surgical field or extent of disease, it is not separately reportable. If the findings of a diagnostic arthroscopy lead to the decision to perform an open procedure, the diagnostic arthroscopy may be separately reportable. Modifier 58 may be reported to indicate that the diagnostic arthroscopy and non-arthroscopic therapeutic procedures were staged or planned procedures. The medical record must indicate the medical necessity for the diagnostic arthroscopy.

Refer to Chapter 28 of the Alabama Medicaid Provider Manual and the following web address for more information:

[http://www.cms.gov/MedicaidNCCICoding/01\\_Overview.asp#TopOfPage](http://www.cms.gov/MedicaidNCCICoding/01_Overview.asp#TopOfPage)



### **Changes in Payment for Hospitals**

Effective for dates of service on or after October 1, 2011, all outpatient services will be reimbursed based on a fee-for-service payment methodology. Claims that are processed on or after October 1, 2011, for dates of service prior to October 1, 2011, will continue to be processed based on the encounter payment methodology. The fee schedule for outpatient services for dates of service on or after October 1, 2011 is posted on the Medicaid website.

Inpatient rates will remain unchanged. Hospitals will not receive rate letters in October of this year. The rates that are currently in effect will remain so until further notice.

If you have any questions concerning this new payment methodology, you may contact Jerri Jackson via e-mail at [jerri.jackson@medicaid.alabama.gov](mailto:jerri.jackson@medicaid.alabama.gov) or via phone at (334) 242-5630.

## **ATTENTION!**

In the near future, HPES Provider Representatives will be reached by dialing a toll free number, then entering a telephone extension. The new toll free number and extensions will be available soon.

The following address on the Medicaid website will provide updates for the change:

[http://www.medicaid.alabama.gov/CONTENT/8.0\\_Contact/8.2.6\\_Provider\\_Representatives.aspx](http://www.medicaid.alabama.gov/CONTENT/8.0_Contact/8.2.6_Provider_Representatives.aspx).

## State Fiscal Year 2011-2012 Checkwrite Schedule

10/07/11	01/06/12	04/06/12	07/06/12
10/21/11	01/20/12	04/20/12	07/20/12
11/04/11	02/03/12	05/04/12	08/03/12
11/18/11	02/17/12	05/18/12	08/17/12
12/02/11	03/02/12	06/06/12	09/07/12
12/16/11	03/16/12	06/17/12	09/14/12

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](http://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.

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