

2004

NOVEMBER HOLIDAY CLOSURES

State Offices Closed

State & FHSC Offices Closed

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DECEMBER HOLIDAY CLOSURES

FHSC and all State offices will be closed on December 24, 2004 in observance of the Christmas holiday, and December 31, 2004 in observance of the New Year.

The following has been updated and is available to you on FHSC's website (<https://alaska.fhsc.com/>):

- Residential Psychiatric Treatment Center (RPTC) Enrollment Application
- School Based Services Manual
- Dental Manual
- Therapy Manual

First Health Services Corp.
1835 S. Bragaw St.,
Suite 200
Anchorage, AK 99508
<https://alaska.fhsc.com>

1-800-770-5650
1-907-644-6800

CLAIM PROCESSING EDITS

An edit is an explanation code which shows the outcome of a claim review. The review may be done manually or automatically by the Medical Management Information System (MMIS). The automated review occurs first. If a manual review is required, the system will stop processing a claim so the manual review can be completed.

The edit codes used by Alaska Medicaid are always three numeric digits and will appear throughout the Remittance Advice (RA). An edit is used to indicate one of four things. An Explanation of Benefits (EOB) edit code provides additional information about how your claim was processed. Pended edits tell you that the claim requires additional internal review. Resubmission turnaround document (RTD) edits indicate that your claim is in process but has been returned to you for additional information. If you don't respond within 90 days, those claim lines in RTD status will be denied and other lines on that claim will wait for payment until the RTD is completed. A Denial edit will tell you why your claim was denied.

This article will discuss the first of the four types of edits, EOB, followed by specific examples of EOB edits we see at First Health Services. Future newsletters will discuss the remaining three edit types.

An EOB edit provides additional information about how a claim was processed. We may have paid your claim; however, we give an explanation regarding the payment or procedure codes billed. Examples follow.

EDIT 369 "Procedure does not require surface code"

A Dental provider has billed a claim indicating a tooth code and surface code but the surface code was not required for processing the claim. The claim was processed and EOB Edit of 369 was indicated on the RA. The dental provider gave more information than was needed for processing a claim; however, this does not prevent us from paying the claim.

EDIT 465 "Medicaid allowed amount reduced by other insurance"

We processed the providers claim and paid the Medicaid allotted amount minus the amount paid by primary insurance.

Example: Medicaid allowed amount is \$80 for a procedure and the primary insurance paid \$50. Alaska Medicaid would process the claim, pay the \$30 difference, and indicate an EOB Edit 465 on the RA.

EDIT 484 "Claim units have been cut back to authorized units"

You may have billed Medicaid for a number of units which exceeds what has been authorized and used on the prior authorization (PA) for that patient and/or service. Therefore, the claim payment was cut back to match the dollar amount consistent with the number of units remaining on the PA. This is also true of service limits for mental health claims.

Next month: Pended edits; edits that tell you the claim requires additional internal review.

Inside Training

November Trainings

Anchorage

In-Depth Class

- *Inpatient/Outpatient Hospitals*
- *Personal Care*
- *Long Term Care*

Monday, November 15, 2004
FHSC, 1835 South Bragaw St.

Teleconference

- *Inpatient/Outpatient Hospitals*
- *Personal Care*
- *Long Term Care*

Friday, November 19, 2004

Registration is required in order to provide adequate space for training. There is no charge to attend. All participants are encouraged to bring their provider billing manual(s).

Reserve your space today! Register online for your next training session by visiting us at <https://alaska.fhsc.com>. You can also fax your registration form to 907-644-5923 or e-mail your registration form to FHSCTraining@fhsc.com.

The complete 2004 Provider Training Schedule is available on FHSC's website at <https://alaska.fhsc.com>.

Lock-In Recipients

If your claim is returned for an Edit 228 "Provider not valid for Lock-In recipient", FHSC will need a referral or chart notes to process your claim. The referral must be from the Lock-In provider referring the recipient to another provider. If the recipient was seen for an urgent or emergent condition, thus not allowing time for the recipient to see their Lock-In provider, chart notes must be sent in with the claim/RTD explaining the urgent/emergent condition.

Lock-In Referrals

A Lock-In Physician may refer their lock-in patient to a specialist when determined medically necessary. For recipients locked into a clinic, the clinic's name and ID number will appear on the coupon. A copy of the referral from the Lock-In physician listed on the coupon is required in order to see the referred specialist.

Recipients are required to bring the referral to the pharmacy for any prescription to be filled; this is verification to the pharmacy that the recipient was properly referred to the specialist. The pharmacy can then call the FHSC help line for an override. Please keep the referral in the patient file as it will be requested during a Medicaid review. If the Rx is from the Lock-In doctor, there is no need to request an override from the pharmacy helpline.

This does not remove the pharmacy's responsibility to obtain prior authorizations and/or overrides for other drugs not related to "lock-in issues".

For more information regarding the Lock-In program, please contact FHSC's Primary Care Lock In staff at 907-644-6842 or 1-800-770-5650 (toll-free in Alaska).

Bits & TIPS

RTD's

In order for RTD's to be properly scanned and then assigned a claim control number, please send in the original RTD with the requested information on it. Please do not send a copy of the entire RA when you return your RTD. Send in only the RTD with the required information filled in or attached to it (such as the third party EOB). Sending in a copy of the entire RA with your RTD will slow down the processing of your claim or RTD.



Long Term Care Facilities

When billing for continuous flow oxygen (Revenue Code 270), please be aware that it requires prior authorization that is received through the FHSC PA unit.

Non-emergency, continuous heavy use of oxygen is NOT included in the all inclusive rate. The prior authorization will require either physician orders or physician or nursing notes. Please note that periodic oxygen is included in the all inclusive rate.

If the services are approved, the facility will need to record the metered amount of the oxygen and dates used for billing purposes. It will be reimbursed at the facilities cost.

NEW MMIS System under Development

The State of Alaska has awarded FHSC the contract to develop a new MMIS (Medicaid Management Information System). Part of this development includes re-enrolling all active providers by September 2005. Please watch for upcoming articles highlighting functionality of the new system.

When sending in medical justification attachments, make sure the name and DOS match those reported on the claim. This will ensure the speedy processing of your claim.

PHARMACY DRUG REIMBURSEMENT

The Division of Health Care Services announces the discontinuance of the U.S. Dept. of Justice (DOJ) pricing in the calculation of pharmacy drug reimbursement effective for claim processing on 9/22/04. Reimbursement will revert to the lowest of the following payment methods:

- billed amount or
- the estimated acquisition cost plus a dispensing fee or
- the Federal Upper Limit plus a dispensing fee.

Please make sure the EOB from the TPL payer clearly shows the denial reason code and description when submitting to FHSC. This is necessary in determining whether or not it will meet State requirements.

PRESCRIBER NUMBER REQUIRED

All claims for Pharmacy services require the Alaska Medicaid Prescriber Identification number. Many of the Drug Utilization Review recipient profiles are not usable due to incorrect information in the "prescriber identifier" field of the NCPDP Universal Claim Form (UCF) and equivalent field of other formats. This field **must** be filled with the Alaska Medicaid prescriber identification number, which is available either from the prescriber or from a list provided by FHSC.

Pharmacy personnel can look at this list for the prescriber ID. If the prescriber is not found on the list, pharmacy personnel can call the First Health Pharmacy Technical Help Desk at 1-800-884-7387 and ask if the prescriber has recently enrolled and has an Alaska Medicaid Prescriber ID number. If the prescriber is not enrolled, pharmacy personnel should ask if the facility where the prescriber is practicing is enrolled and use that number for a prescriber ID. If the facility is not known and the prescriber cannot be identified by the above methods, you will need to request a default prescriber ID number from the Pharmacy Help Desk to use on your claim; a new **default prescriber ID** number will be provided.

Please use the new default number only when the actual prescriber cannot be determined. Please note the default prescriber number will **change** at differing intervals.

To request a copy of the Alaska Medicaid Prescriber Identification Number list, contact FHSC's Provider Inquiry Unit at (907) 644-6800 or 1-800-770-5650 (toll-free in Alaska).