

# ALASKA MEDICAID NEWSLETTER

Published by First Health Services Corporation for the Alaska Division of Health Care Services.



# 2005 MARCH

First Health Services, in conjunction with the Division of Health Care Services, publishes a monthly newsletter. This newsletter offers providers useful information, monthly reminders, and tips on how to make billing easier.

MARCH						
Holiday Closures						
■ S = State Offices Closed						
■ SF = State & FHSC Offices Closed						
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

## ELECTRONIC BILLING

To set up electronic billing, you must complete and mail in a Provider Information Submission Agreement (PISA) or Billing Agent Submission Agreement (BASA). Any third-party submitter (clearinghouse or billing agent) who intends to submit claims electronically will be required to complete a Billing Agent Submission Agreement.

If FHSC has not received a PISA or BASA, your claim will pend with a 205 EDIT (Provider Not Enrolled for EMC or POS Billing), and payment will be delayed.

Be sure that the system or software you are using to submit HIPAA-compliant electronic transactions contains all of the information required as identified in the "Trading Partner Companion Guide for Alaska Medical Assistance."

The agreements and the Trading Partner Companion Guide outline the requirements for testing and submitting electronic information to Alaska Medical Assistance, including electronic HIPAA-compliant information. If you plan to submit HIPAA-compliant electronic information to Alaska Medical Assistance, you should review the Trading Partner Companion Guide. This guide provides transaction-specific requirements, as well as information on how to submit electronic information to the Medicaid Management Information System (MMIS), the claims processing system for Alaska Medical Assistance.

### Most Recent Updates...

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

- Laboratory Manual
- Behavioral Health Services Manual

### Helpful Reminders...

- When calling in to order forms, be sure to leave specific information on the voice mail including what forms you need, the quantity being ordered, and the address and contact persons name and number
- If your information changes (e.g. address, phone, name, or tax ID#), contact FHSC so it may be updated
- When leaving a practice, contact FHSC so your provider number can be inactivated

First Health Services Corp.  
1835 S. Bragaw St., Suite 200  
Anchorage, AK 99508-3469  
<https://alaska.fhsc.com>  
1-800-770-5650  
1-907-644-6800

## REMINDER FOR ALL ALASKA MEDICAL ASSISTANCE PROVIDERS

Division of Health Care Services announced plans to discontinue the acceptance of non-compliant electronic transactions including claims.

Please note: This notice does not apply to providers of non-emergent transportation services, accommodation services such as hotel or motel services, and possibly other “non-health care” services (as defined by HIPAA rules). The processing of electronic and paper claims for these services will not be affected by the information presented in this notice.

The Federal Health Insurance Portability and Accountability Act (HIPAA or the Act) of 1996 required in part that, on or before October 16, 2003, all providers and trading partners affected by the Act who submit electronic claims must do so in the standard method outlined in the Act (i.e. 837 Claim Transaction). Many Alaska healthcare providers and trading partners were unable to comply with this HIPAA deadline. In order to prevent disruption of payment to Alaska Medical Assistance providers, the Division of Health Care Services (DHCS) implemented a contingency plan which enabled the Division to temporarily continue to accept HIPAA non-compliant electronic claims for the Alaska Medical Assistance programs beyond the federal deadline.

The notice announced the Division’s intent to: (1) discontinue the acceptance of HIPAA non-compliant electronic claims submitted by affected providers and trading partners after March 31, 2005; and (2) prioritize the processing of HIPAA compliant electronic claims submitted on or after March 1, 2005.

(1) The Division has instructed its fiscal agent, First Health Services Corporation (FHSC), to reject electronic claims submitted for processing by affected providers and trading partners that do not comply with the new HIPAA rules after March 31, 2005. The Division is taking this action in order to fully comply with the federal HIPAA laws relating to claims (i.e. the 837-Claim Transactions). The Act requires the Division, as a payer, to accept electronic claims only in the standard method described by the Act. In order to prevent a future disruption of payment, all affected providers and trading partners that plan to submit electronic claims are strongly encouraged to complete their transitions to using the new HIPAA compliant 837 claim transaction. Affected Alaska Medical Assistance providers and trading partners that plan to submit claims electronically must:

- Review the Alaska Medical Assistance 837 Companion Guide.
- Sign and complete new Information Submission Agreements, as appropriate.
- Complete 837 claim transactions testing with the Division’s fiscal agent, FHSC.

First Health Services has more information about Companion Guides, 837 Claim transactions, Agreements, and Testing on it’s Website at <http://alaska.fhsc.com/hipaa>.

More information regarding affected providers (i.e. covered entities), HIPAA laws, and other HIPAA information may be found at <http://www.cms.gov/hipaa/hipaa2>.

(2) Since October 16, 2003, many Alaska Medical Assistance providers and trading partners have signed new Information Submission Agreements (ISA) and are actively testing or submitting HIPAA compliant claims (837 transactions). However, some providers and trading partners are still submitting claims that are not HIPAA compliant. In order to continue transitioning to full HIPAA compliance within the Division’s fiscal constraints, the Division has determined it necessary to instruct its fiscal agent, FHSC, to prioritize the processing of claims.

Given this prioritization and under normal circumstances, the Division anticipates that correctly submitted HIPAA compliant claims will be processed within 3 to 7 days of receipt. Non-compliant claims may take up to 30 days to process. Thereby, electronic claims submitted on or after March 1, 2005 will be prioritized for processing as follows:

1. HIPAA-compliant claims from covered entities and electronic claims from non-covered entities (highest priority),
2. Electronic claims from covered entities that are actively testing,
3. Electronic claims from covered entities that have entered into an Information Submission Agreement and are scheduled to begin testing,
4. Non-compliant electronic claims from all other covered entities (lowest priority).

While each provider and trading partner (i.e., covered entity) is responsible for their own HIPAA compliance efforts, FHSC will continue to provide assistance through the availability of:

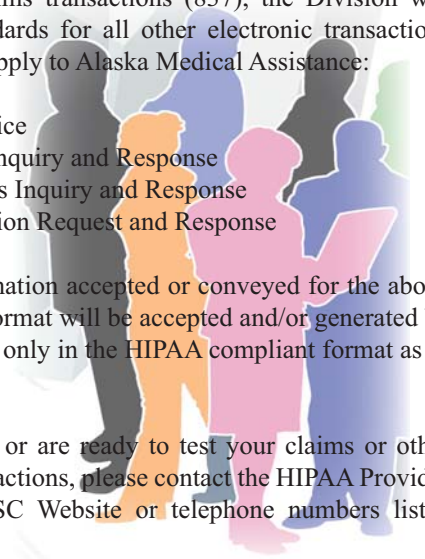
- Webcast recordings of past HIPAA Knowledge Transfer Sessions on a variety of topics
- An Alaska Trading Partner Companion Guide to include instructions specific to Alaska Medical Assistance for all HIPAA transactions
- The Alaska Electronic Commerce Customer Support (ECCS) Team (907-644-6800) or toll free in Alaska 1-800-770-5650 (select option for ECCS)
- The Virginia Electronic Commerce Customer Support (ECCS) Team (toll free nationwide 800-924-6741).

(3) In addition to the claims transactions (837), the Division will comply with HIPAA standards for all other electronic transactions mandated by HIPAA that apply to Alaska Medical Assistance:

- 835 – Remittance Advice
- 270/271 – Eligibility Inquiry and Response
- 276/277 – Claim Status Inquiry and Response
- 278 – Prior Authorization Request and Response

As with claims, any information accepted or conveyed for the above purposes in an electronic format will be accepted and/or generated by Alaska Medical Assistance only in the HIPAA compliant format as of April 1, 2005.

If you have any questions or are ready to test your claims or other health care electronic transactions, please contact the HIPAA Provider Support Team at the FHSC Website or telephone numbers listed above.



Helpful information on specific topics of interest.

### What is a Medical Escort?

A medical escort is defined by regulation 7AAC 43.530 (3) as a person who accompanies a recipient to or from a source of medical care.

### When is a Medical Escort Needed?

An escort may be necessary to accompany a Medicaid recipient for reasons of medical necessity, age or physical or mental impairment. An escort may be medically trained, but medical training is not required. The Alaska Medical Assistance does not compensate an escort.

### When is a Medical Escort Authorized?

A medical escort is authorized for travel, lodging and meals during the time medical evaluation and treatment are being provided.

A medical escort is authorized for the following recipients:

- All Medicaid eligible children under the age of 18
- Medicaid eligible recipients over 18 if the referring or treating physician indicates that an escort is medically necessary.

Medical necessity includes, but is not limited to, individuals who are:

- Elderly and feeble
- Developmentally disabled
- Confined to a wheelchair
- Suffering from uncontrollable seizures
- Physically handicapped
- Blind

### When is a Medical Escort Not Authorized?

1) A medical escort is not authorized for the purpose of language interpretation. Under the provisions of the Americans with Disabilities Act (ADA), medical providers must assure adequate capabilities for communications with all patients.

2) A medical escort is not authorized on air ambulance flights. Medical personnel caring for the patient are included in the flight charges. In many instances, the air ambulance is able to accommodate a parent or spouse to travel with the recipient. The Division or its fiscal agent will review requests for escort services in these cases on an individual basis.

3) The Division does not pay for services incurred after the date of death. If a recipient dies while receiving medical treatment, Medicaid will cover the cost of an escort's return trip if the travel was originally approved. It is the responsibility of the escort to make arrangements with the airline to change the return date of travel. Transportation expenses of the deceased recipient are a mortuary expenditure that is not covered by Medicaid. The authorized representative may apply for general relief burial assistance for transportation and associated burial expenses on behalf of the deceased at any DPA office.

### Are There Any Exceptions to the Medical Escort Guidelines?

The following are examples of exceptions to the medical escort guidelines outlined above.

1) Minor children who are parents may escort their child(ren) without an

additional escort. Note: These same minors may travel without an escort for their own medical appointments.

2) An adult female may escort a pregnant minor who is traveling to a Prematernal home to await delivery. The Alaska Medical Assistance will pay a reduced fee to the Prematernal home to cover expenses incurred by the escort.

3) Occasionally a recipient may need more than one escort. All requests for an additional escort need to be submitted to FHSC in writing by the treating or referring physician with the attached medical justification for this additional service.

4) When a family has more than one child travelling to medical appointments, in most cases only one escort is authorized. If there is more than one child under the age of 2 years, or other unusual circumstances, a second escort may be authorized if justified.

In next months issue:

- Is a Medical Escort Covered for Outpatient and Inpatient Care?
- What is Meant by Meals and Lodging?
- Out-Of-State Travel Requirements

2004 was a very successful year in training. The teleconferences, which were new to last year's schedule, had a high participation rate, making it a very popular program. Thanks to your suggestions and comments, we anticipate that 2005 will be even more user friendly.

The 2005 Training Schedule will be available soon. Watch this newsletter for upcoming information on when the new schedule will be published.

Thank you for your participation in this program.



Dana Broadwater  
Provider Trainer, FHSC

As a reminder...  
If you're new to Medicaid or simply wanting a refresher course, all HIPAA, In-Depth, Introduction to Medicaid Billing, and Pharmacy POS training Webcasts are uploaded to First Health Service's Website for viewing at your leisure. Visit our Website at <https://alaska.fhsc.com> for a full list of available Webcasts from 2004.

Webcasts are available on CD upon request. Contact the Training Dept. through e-mail (ANCTraining@fhsc.com), or call us at (907) 644-6800 or 1-800-770-5650 (toll-free in Alaska), to request your CD.

## TRAINING E-MAIL AND FAX NUMBER

Medicaid's training e-mail address (ANCTraining@fhsc.com) is provided for your convenience to send in your questions and comments regarding training offered by FHSC, and to submit completed training registration forms.

Training also provides a Fax number (907-644-5900) for your convenience in sending in registration forms or correspondence to FHSC's training department. Remember, our professional staff is ready to assist you, whatever your training needs may be.

Please do not send sensitive or confidential information via e-mail, as this is not a securely protected environment.

Is there a class you'd like to see on the training schedule? Have suggestions or kudos for the class you just completed? Send us an e-mail us and tell us what you're thinking.

## TRAVEL STORIES: Cordial in Cordova.

Since I became the Provider Trainer for First Health Services, I have traveled all over Alaska. I've been welcomed like family and I've accumulated a collection of interesting, and often funny, stories related to my travels.

I've lived in small towns and know that there is often one person who knows everybody and where everything is. In Cordova, it's B.B.

B.B. was passing by the conference room in the hospital where I was conducting four days of training. Recognizing that I was not a local, B.B. came right in and asked me who I was and why was I there? After a nice visit she went about her way, and I went on with the training.

Later that evening I ran into her at a restaurant and she invited me to join her. She was having dinner with a young bicycling tourist whom she had adopted for a couple of days.

The following day, B.B. tracked me down at the Inn where I was staying and offered to be my tour guide. She drove me and her tourist friend out to Child's Glacier, 50 miles down a dirt road. We had a wonderful afternoon.

I appreciate all of the hospitality that has been extended to me by the small towns I have visited, and I look forward to returning.

