

ALASKA MEDICAID NEWSLETTER

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



April 2005

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.

APRIL

Holiday Closures

- S = State Offices Closed
- SF = State & FHSC Offices Closed

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EDIT CODE 002 “Billing Provider ID Number Missing”, is a common denial for most claim types and will pend for review due to a missing Provider ID number.

Please make certain that your Medicaid Provider ID number is written in the correct location on the claim form. On the CMS-1500 claim form the ID number goes in Field 33, PIN#, and on the UB-92 claim form the Provider ID number goes in Field 51.

If you have software that fills in your claim forms, check to ensure that the software distinguishes between zeros and O’s. Check the alignment to make sure no pre-printed lines on the form interfere with your writing.

It is difficult for us to process a claim without a correct Provider ID number on it. If you are not certain what your Provider ID number is, please call our Provider Inquiry Unit at 1-907-644-6800, or 1-800-770-5650 (toll-free, in state).

A Quick Look at Helpful Tips:

- Check for transposed digits on the claim form
- Make sure all handwriting is legible
- Make sure the “O’s” don’t look like zeros, and vice versa

Updates...

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

Provider Billing Manuals

- Hospice Services Manual
- Private Duty Nursing

Fee Schedules

- Independent Physical Therapist
- Occupational Therapy
- Outpatient Therapy
- Speech Pathologist

Field 24B (place of service) on page I-15 of the PRIVATE DUTY NURSING MANUAL has been updated. Providers should now indicate the appropriate two digit place of service code to indicate where the services occurred. Current place of service codes can be found at:

<http://www.cms.hhs.gov/states/posdata.pdf>

Notifications with the updated manual pages (I-15 - I-16) have been sent to all actively enrolled private duty nursing providers. If you have questions, please call the FHSC Provider Inquiry Unit at (907) 644-6800 or 1-800-770-5650 (toll-free in Alaska).

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



Helpful information on specific topics of interest.

Is a Medical Escort Covered for Outpatient and Inpatient Care?

Outpatient Care

Patients and escorts are authorized for lodging and meals during the course of all outpatient treatments requiring an overnight stay. Meals and lodging are not authorized for travel that is completed in the same day.

Inpatient Care

Meals, taxi, and lodging are not routinely authorized for a medical escort when the Medicaid recipient is hospitalized, but they may be authorized when:

- It is cost effective to do so. For example, it may be less expensive to pay for meals and lodging than to pay for round trip airfare again at a later date.
- The patient is a child.

Coverage for meals and lodging during inpatient care is available when the provider submits information to FHSC showing that the authorization is cost effective and reasonable for the welfare of the recipient.

What is Meant by Meals and Lodging?

A unit of lodging is equal to one night's stay. A unit of meals is equal to 3 meals with a maximum of \$36.00 authorized per person per unit of lodging (one overnight). For example, if a Medicaid recipient arrives in the evening, then the recipient's dinner, breakfast and lunch would be covered under 1 unit of meals. Meals and lodging are not authorized for children 2 years of age and under.

When a Medicaid recipient travels with an escort, it is expected that the recipient and escort will share a hotel room. Separate rooms are not routinely authorized for escorts. The escort should be appropriate to share accommodations with the recipient. Alaska Medical Assistance will review requests for separate rooms when there are unusual circumstances.

Out-Of-State Travel Requirements.

Sometimes a Medicaid recipient will need medical services that are not available

in Alaska. In that case, the recipient's medical provider must make a request to FHSC for out-of-state travel authorization. The medical provider should request prior authorization for a diagnosis or procedure before requesting authorization for out-of-state services.

A request for out-of-state services requires a medical provider referral and medical justification. The provider must state that the covered services are not available in Alaska. Examples of such services include appointments with specialists, evaluations, consultations, surgical procedures, and transplants.

Services for follow-up care or complications resulting from medical interventions initiated out of state should be provided in Alaska whenever possible.

Out-of-state services will be authorized to the nearest medical facility or provider.

If out-of-state medical services are required and authorized, appointments should be scheduled so as to minimize the time spent out-of-state. Travel will be authorized for the day before scheduled services if airline travel does not permit arrival on the date of the recipient's appointment. The cost for any travel scheduled before or after medical appointments is at the recipient's expense.

Travel extending over a weekend will only be authorized for confirmed medical necessity as specified by the medical provider of record.

When minors travel out of state for services, medical escorts must be the minor's legal parent or guardian.

When the recipient does NOT travel.

Alaska Medicaid will reimburse transportation and accommodation providers for services to recipients and/or escorts who are authorized to travel for a higher level of medical care than what is available at the recipient's town of residence. All travel must be prior authorized through First Health Services.

There are various circumstances for which travel plans may need to be changed. Examples include unpredictable weather conditions, changes in medical appointments, and availability of airlines.

If Prior Authorization (PA) has been arranged for a recipient to travel for medical care and the recipient does NOT travel, it is the responsibility of the local, referring medical provider to inform FHSC's PA unit that the patient did not complete the trip as planned. This is the only means by which First Health Services receives this information.

Since the local medical provider is required to make travel arrangements for the recipient, it's to your advantage to report that the trip did not happen as scheduled. When you report the canceled trip to our PA unit, this puts the existing PA number into a holding pattern. When it's time to reschedule the medical appointments and redo the travel arrangements, the existing PA number for that patient and medical provider can be amended. When it's time for new arrangements to be made, if the canceled trip was not previously reported to the FHSC PA unit, you will have to start the process from the beginning and arrange a new PA for airlines, hotels and taxis.

FHSC knows your time is limited, and valuable, we are here to assist you and make the process of prior authorization easier. Please remember to report any recipient or escort that does not travel on an existing PA.

TRAINING SCHEDULE NOW AVAILABLE

The training schedule for March 1, 2005 through May 31, 2005 is now available on the First Health Services website at <http://alaska.fhsc.com>. If you would like an electronic version sent to you, please contact the First Health Services training unit at anctraining@fhsc.com. If you prefer a paper copy of the schedule, please contact FHSC's Provider Inquiry Unit at 907-644-6800 or 1-800-770-5650 (toll free in Alaska). A second training schedule will be available in May for the remainder of the year.

Thank you for your participation in making this program a success.



Dana Broadwater
Provider Trainer, FHSC

As a reminder...
If you are new to Medicaid or simply wanting a refresher course, all HIPAA, In-Depth, Introduction to Medicaid Billing, and Pharmacy POS training Webcasts are on FHSC'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.

Helpful Reminders...

- When calling in a forms order request, be sure to leave specific information on the voice mail including what forms you need, the quantity being ordered, and the address and contact person's 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

New **Transportation Forms** **Available**

Since January 1, 2005, the State Travel Office (STO) has been arranging all non-emergency medical travel for Alaska Medical Assistance recipients. To reflect these changes, Alaska Medical Assistance has updated the Transportation Authorization and Invoice (AK-04) form.

A flyer was mailed to all actively enrolled providers on March 25, 2005, with a forms order request and information on the new Transportation Authorization and Invoice (AK-04) form.

If you have not received a flyer, please call the FHSC Provider Inquiry Unit at (907) 644-6800 or 1-800-770-5650 (toll-free in Alaska).



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.