



Third Quarter, 2008

Alaska Medical Assistance Newsletter

Location:

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Finance: 644-8120
Attachments: 644-8122 or 644-8123

Labor Day Holiday:

The State of Alaska and FHSC offices will be closed on September 1, Labor Day.

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Notice to Providers Submitting Electronic Claims

On May 23, 2008 Alaska Medicaid transitioned to accepting only the National Provider Identifier (NPI) number on claims submitted electronically. This means you may discontinue use of the Medicaid provider ID numbers on your professional, institutional or dental claims and, instead, bill with the NPI number you supplied for your Alaska Medicaid provider record(s). When your billing manual requires their identification, use the NPI number in all appropriate secondary provider fields, i.e., the billing, referring, rendering and servicing provider fields, or the attending provider field in institutional claims.

If you have not successfully tested whether your claims will match your Medicaid provider record, you may experience a delay in processing claims submitted with NPI only.

Professional Claims: Alaska Medicaid will continue to accept both NPI and Medicaid Provider ID on electronic claims in the professional (837P) format through *October 31, 2008* (this does not apply to professional crossover claims). FHSC will continue to update providers regarding the submission of NPI-only on their claims.

Institutional and Dental Claims: As of July 1, 2008, Institutional and dental claims submitted with both NPI and Medicaid provider ID numbers are denied.

Refer to the companion guide at <https://alaska.fhsc.com/providers/hipaa/guide.asp> for instructions on where to key NPI identifiers on electronic claims.

Please direct any questions to the Provider Inquiry Unit at (907) 644-6800 (option 1) in Anchorage or outside the State of Alaska, or at (800) 770-5650 from other locations in Alaska.

New Enrollment Requirements Effective May 23, 2008

Effective May 23, 2008, enrollment with Alaska Medical Assistance is **required** for the following provider types if services are rendered to Alaska Medical Assistance recipients:

- Advance Nurse Practitioner
- Audiologist
- Occupational Therapist
- Physical Therapist
- Speech-Language Pathologist

Implementation of the National Provider Identifier (NPI) necessitated the enrollment of these health care providers. Prior to May 23, 2008, only those

who practiced independently were required to enroll; those who practiced under the direction of a physician (also referred to as a collaborator) or in an outpatient therapy center, were exempt from enrollment requirements.

The new enrollment requirements are available at:

<http://hss.state.ak.us/apps/publicnotice/RegulationDetails.aspx?Regulation=6b863872-91f4-4818-8754-db7dd627f059>

The provider enrollment application and related forms are available at:

<https://alaska.fhsc.com/providers/Enrollment.asp>. If additional assistance is needed, please contact First Health's Recipient Services at (907) 644-6800 or (800) 770-5650 (toll-free in Alaska). For questions on the enrollment application please contact the Provider Enrollment Unit at (907) 644-6800 or (800) 770-5650 (toll-free in Alaska).

New Enrollment and Billing Regulations for Independently Practicing Psychologists

Effective May 1, 2008, independently practicing psychologists may enroll with Alaska Medical Assistance and be reimbursed directly for covered services rendered to eligible recipients.

Enrollment

To be eligible for reimbursement, a psychologist must:

- enroll in the Alaska Medicaid program
- provide documentation of an active license issued by the state where services are provided
- maintain that license throughout the enrollment period

Psychologists practicing out of state must be enrolled in the Medicaid program in that state.

The *Standard Provider Enrollment Form* and instructions are available at

<https://alaska.fhsc.com/providers/Enrollment.asp>.

If you conduct standard Health Insurance Portability Accountability Act (HIPAA) electronic transactions or have others do so on your behalf, you are **required** to obtain a National Provider Identifier (NPI). To apply for the NPI:

- Visit <http://www.cms.hhs.gov/nationalprovidentstand>, or
- Call (800) 465-3203 or (800) 692-2326 (TTY), or
- Mail your application to NPI Enumerator, P.O. Box 6059, Fargo, ND 58108-6059

Covered Services

Covered psychologist services are limited to medically necessary psychological testing to determine the status of a recipient's mental, intellectual, and emotional functioning. Testing services, including administration of tests, interpretation of results, and a written report, must be provided directly by the psychologist.

Payment is limited to the following services:

- Psychological testing
- Assessment of aphasia
- Developmental testing
- Neurobehavioral status exam and
- Neuropsychological testing

The *Psychologist Services Fee Schedule*, including covered procedure codes, is available at

<https://alaska.fhsc.com/providers/FeeSchedule.asp>.

Referral

Psychologists are required to obtain a referral from the recipient's treating physician, a physician assistant, advanced nurse practitioner, community mental health clinic, local or tribal health clinic, or an appropriate school official. The referral must document the purpose for the testing, including the need to determine acuity of need, severity of symptoms, or level of impairment.

The psychologist must keep a specific record of all services that:

- Identifies the source and reason for the referral
- Identifies the questions and issues that the testing addressed
- Identifies the psychological tests and techniques used and
- Includes the interpretation of all completed and attempted tests with observations, conclusions, and recommendations

Record Keeping Requirements

The provider must maintain records to support the care and services for which payment is requested for at least **seven years** from the date services were provided.

Location of Services

Psychologist services may be administered in:

- the psychologist's office
- an outpatient hospital or outpatient clinic
- an acute inpatient hospital or inpatient psychiatric hospital
- a local or tribal health clinic
- a residential psychiatric treatment center (RPTC)
- another setting appropriate for patient care

Claim Submission

Alaska Medical Assistance claims must be submitted within **12 months** of the date services were rendered. Claims can be submitted electronically using the 837 Professional format or on paper using the *CMS-1500 Health Insurance Claim Form*. Electronic claims may be transmitted through PayerPath®, a free web-based solution, or through a commercially purchased medical billing software application. For further information on electronic transactions, please refer to the *Implementation Guides* at <http://www.wpc-edi.com>, or the *Companion Guides* at <https://alaska.fhsc.com/providers/hipaa/guide.asp>. You may also contact FHSC's Electronic Commerce Customer Support at (907) 644-6800 or (800) 770-5650 (toll-free in Alaska). CMS-1500 claim form completion details are available at <https://alaska.fhsc.com/providers/Billing.asp>.

The new regulations, 7 AAC 43.946, may be read in its entirety at [http://www.legis.state.ak.us/cgi-bin/folioisa.dll/aac/query=\[jump!3A!277+aac+43!2E946!27\]/doc/{@36056}](http://www.legis.state.ak.us/cgi-bin/folioisa.dll/aac/query=[jump!3A!277+aac+43!2E946!27]/doc/{@36056}).

If you have any questions, please contact FHSC's Provider Inquiry Unit at (907) 644-6800 or (800) 770-5650 (toll-free in Alaska), or Teri Keklak, Behavioral Health Program Administrator, at (907) 269-2050.

Personal Care and Waiver Services Regulation Changes Effective July 1

Effective **July 1, 2008**, maximum reimbursement for **Personal Care Agency** services has increased from \$21 to **\$22.28** per hour. This rate includes reimbursement for all personal care and administrative services rendered, including travel and telephone expenses. At least 50 percent of annual total reimbursement paid to a personal care agency by the Department must be spent on compensation for personal care assistants.

For **Home and Community-Based Waiver Services; Respite Care Services** will increase to no more than \$260 per day, whether provided individually or in combination with other waiver services, except for those provided in combination with out-of-home daily respite care services.

Care Coordination Service rate increases are as follows: screening increased to **\$79.50**; monthly care coordination to **\$212**; and plan of care development to **\$339.20**.

For **Assisted Living Home Services**, the daily base service rate for a licensed assisted living home for:

- fewer than six residents has been raised from \$44.52 to **\$46.30**;
- six or more residents, that does not provide 24-hour awake staff, has been raised from \$56.10 to **\$58.34**;
- more than six residents, that does provide 24-hour awake staff, has been raised from \$67.68 to **\$70.39**.

The reimbursement amount for the assisted living home with the number of residents listed above will be increased by \$18.06 per day if a patient's needs require the hiring of additional staff. Previously, this amount was \$17.37. Also, a

service rate under 7 AAC 43.1058(h)(1) – (6) will be adjusted to increase the rate to \$9.00, as opposed to the previous \$8.65 per day. This increase is not subject to the regional adjustment under 7 AAC 43.1058(h)(6).

To obtain a copy of the new *Waiver Service Regulatory Rates* table, follow this link:

<http://hss.state.ak.us/apps/publicnotice/ViewDocument.aspx?FileInfo=339b1dfa-c0ea-40cf-b9d8-d5bcbd0f5ff8>
or write the Department of Health and Social Services, Division of Senior and Disabilities Services, P.O. Box 110680, Juneau, Alaska 99811-0680.

To read the updated regulations in full, follow this link:

<http://hss.state.ak.us/apps/publicnotice/ViewDocument.aspx?FileInfo=f87e2910-b3b6-4bb3-b715-5af3be9667d1>

If you have any questions, contact FHSC's Recipient Services Unit at (907) 644-6800, or (800) 770-5650 (toll-free in Alaska).

Billing With NDC Codes on Professional and Outpatient Claims

Paper Medicare crossover claims requirements have been changed to meet NPI and NDC requirements. As of March 19, 2008, paper Medicare crossover claims, billed on the CMS-1500 or UB-04, require:

1. standard information required for paper non-crossover claims
2. additional information to reflect the action Medicare has taken.

All crossover claims require the same information that is normally required by Alaska Medicaid billing standards regarding the CMS-1500 and UB-04 claims. Complete the claim form as you would when billing Medicaid. The total line charges will then represent the total billed to Medicare.

Both the HCPCS code, quantity, NDC code, and units of measure and quantity, are required for professional and outpatient claims for all physician-administered drugs.

Professional Claims (submitted on behalf of physicians, physician groups, podiatrists, podiatry groups, nurse practitioners, nurse midwives, I.H.S./Tribal clinics, federally qualified health centers, rural health clinics, family planning clinics, and portable radiology providers):

CMS-1500 Paper Claim Form

NDC information will be entered in the shaded portion of line 24 as follows:

- In the area above 24a – Enter qualifier 'N4'.
- Immediately following the N4 qualifier, enter the 11-digit National Drug Code number. Do not enter hyphens or spaces within the NDC number.
- In the area above 24d – Enter the NDC unit of measure (2 positions) immediately followed by the numeric quantity administered to the patient. Enter the actual metric decimal quantity (units) administered. The quantity field is limited to 9 bytes in the format 99999.999. Enter the quantity from left to right. Enter the decimal point. Leave spaces at the end of the field. The valid unit of measurement codes are:

F2 = International Unit
GR = Gram
ML = Milliliter
UN = Unit

- In the area above 24f – Leave blank
- In the area above 24g – Enter LTC if the recipient is in a long term care facility.

The HCPCS code will continue to be entered in 24 D with the charges in 24 F and the units in 24G.

837P Professional EDI Format

Loop 2410:

Field CTP04 – Enter quantity
Field CTP05 – Enter unit of measure

Example: CTP****2*UN~

Field LIN02 – Enter qualifier 'N4'
 Field LIN03 – Enter NDC without hyphens

Example: LIN**N4*1234567891~

HCPCS information will continue to be entered in loop 2400 in field SV1.

Institutional Claims (submitted on behalf of outpatient hospitals and end-stage renal dialysis centers):

HCPCS code and NDC will be required for drugs billed using revenue code 025x or 063x.

UB-04 Claim Form

Using the Revenue Description field (Form Locator 43) on the UB-04:

- Enter the NDC qualifier 'N4' in the first two (2) positions.
- Immediately following the N4 qualifier, enter the 11-digit National Drug Code number (no hyphens).
- Immediately following the last digit of the NDC (no delimiter), enter the Unit of Measurement Qualifier. The Unit of Measurement Qualifier codes are as follows:

F2 =International Unit
 GR=Gram
 ML=Milliliter
 UN= Unit

- Immediately following the Unit of Measurement Qualifier, enter the unit quantity with a floating decimal for fractional units limited to three (3) digits to the right of the decimal. Enter the quantity from left to right; leave spaces to the end of the field.
- The Revenue Description field on the UB-04 is 24 characters in length.
- Example: N 4 1 2 3 4 5 6 7 8 9 0 1 U N 1 2 3 4 . 5 6 7

Using the HCPCS Code field (Form Locator 44) on the UB-04:

- Enter the 5 character HCPCS code

Using the Service Units field (Form Locator 46) on the UB-04:

- Enter the corresponding service units for the HCPCS reported.

837I Institutional – EDI Format

Loop 2400:

Field SV201 – Enter the revenue code
 Field SV202-1 – Enter qualifier 'HC'
 Field SV202-2 – Enter the HCPCS code
 Field SV204 – Enter qualifier 'UN'
 Field SV205 – Enter the quantity

Example: SV2*250*HC*Jxxxx**UN*1~

Loop 2410:

Field LIN02 – Enter qualifier 'N4'
 Field LIN03 – Enter NDC without hyphens

Example: LIN**N4*12345678912~

Field CTP04 – Enter quantity
 Field CTP05 – Enter unit of measure

Example: CTP****2*ML~

For more information on completing the CMS-1500 and UB-04 forms, download the appropriate claim form instructions at: <https://alaska.fhsc.com/providers/Billing.asp>.

Examples of Medicare Crossover Claims are available on the FHSC Website, demonstrating various types of crossover claims with primary, secondary and tertiary payers: <https://alaska.fhsc.com/providers/medicarexover.asp>.

These crossover examples cover several different situations; select the example(s) most relevant to your submitted claims. If you cannot download the example files from the Website, call FHSC's Provider Inquiry Unit at (907) 644-6800 or (800) 770-5650, toll free in Alaska.

J CODE NDC Requirement Implemented April 1, 2008

The CMS billing requirement for drugs administered in outpatient clinical settings became effective April 1, 2008. Your software vendors should already be prepared for this requirement.

- A list of HCPCS codes affected by this requirement can be found on the First Health Website; go to https://alaska.fhsc.com/downloads/providers/akrx_hcpcs_ndc_code_after20080401.pdf. This document lists the drugs requiring NDCs.
- Additional information regarding changes to the billing requirements for drugs administered in outpatient clinical settings can be obtained at <https://alaska.fhsc.com/providers/provupdates.asp> (choose **Billing Requirements for Drugs Administered in Outpatient Clinical Settings**).
- A current listing of the manufacturers that have signed rebate agreements can be found on the CMS Website: http://www.cms.hhs.gov/MedicaidDrugRebateProgram/10_DrugComContactInfo.asp.
- UB-04 claim submission specifics can be found at <https://alaska.fhsc.com/providers/Billing.asp> (choose **New UB-04 Claim Form Instructions**) as well as at <http://www.nubc.org/>
- CMS-1500 claim submission specifics can be found at <https://alaska.fhsc.com/providers/Billing.asp> (choose **New CMS-1500 Claim Form Instructions - Set A, B, or C**) as well as at <http://www.nucc.org/>.

For electronic claims, refer to <https://alaska.fhsc.com>, choose **HIPAA**, then **Companion Guide**.

Third Quarter 2008 Training for Providers

First Health Services provides Alaska Medical Assistance billing training. We encourage billers, health care providers, office managers and other similarly-involved staff personnel to attend. All classes are subject to change; registered personnel who are affected by a schedule change will be informed via email or telephone.

Providers can access the training schedule, download training materials and even register for classes on the FHSC Website at <http://alaska.fhsc.com/>; choose **Training**, then **Online Registration**. You will receive a confirmation notice that you are registered for the class.

Alternatively, providers may complete the registration form found at <https://alaska.fhsc.com/providers/Training/providerTraining.asp> and return it to FHSC via fax, email, or mail:

- The fax number is: (907) 644-9845.
- The email address is: anctraining@fhsc.com.
- The mailing address is:

First Health Services Corporation
Attention: Training Unit
P.O. Box 240808
Anchorage, Alaska 99524-0808

Due to limited seating, we cannot guarantee a seat if you are not registered.

If you are unable to access the FHSC Website to obtain the registration information, or if you would like to receive a paper copy of the newsletter, please contact FHSC's Provider Inquiry Unit, or the provider trainers at (907) 644-6800 or (800) 770-5650 (toll-free in Alaska).

What You Need to Know Before Attending Training

First Health Services is bringing free billing training to your location. What can you do to prepare, plan ahead, and maximize this learning opportunity?

1. Bring your billing manual.
2. Bring a pen and highlighters.
3. For out-of-Anchorage training, bring copies of the presentation and handouts. You can download and print them in advance from <http://alaska.fhsc.com>. Choose "Training" and then choose "Teleconference Materials."
4. Coffee and hot water are provided in most locations, but if you want something more substantial, plan on bringing it yourself. Lunch is not provided.
5. Please turn your cell phone off during the presentation.
6. If you have specific questions that you wish addressed, fax or e-mail the trainers; questions and answers can be incorporated into the training. Fax questions to (907) 644-9845, or email them to anctraining@fhsc.com.

For classes held in Anchorage, providers can call to set up an appointment with Provider Support staff to meet with them while in the building for training.

Notice of Increase: Medicaid Reimbursement Rates for Dental Services

The Alaska Medical Assistance Program is pleased to announce that a legislative appropriation has been received to increase Medicaid reimbursement rates for dental services. The increased rates are effective for services provided on and after July 1, 2008.

The new dental fee schedule, including prior authorization and other billing requirements, is available from Alaska Medicaid's fiscal intermediary, First Health Services Corporation, at <https://alaska.fhsc.com/providers/FeeSchedule.asp>. If you have any questions regarding this increase, please contact Tom Watson, Dental Program Manager, at (907) 334-2431.

Thank you for your continued support and participation with Alaska Medicaid and Denali KidCare.

CMS Provides NPI Enumeration Misconceptions & Facts

In conversations and correspondence with health care providers, health plans and others within the health care industry, the Centers for Medicare & Medicaid Services (CMS) has discovered misconceptions concerning the National Plan and Provider Enumeration System (NPPES) and the National Provider Identifier (NPI) Enumerator. In the table shown below, CMS has provided facts to dispel some of the most common misconceptions."

<https://nppes.cms.hhs.gov> .

For the text of the NPI Final Rule, visit:

<http://www.cms.hhs.gov/NationalProidentStand/Downloads/NPIfinalrule.pdf> .

Misconception	Fact
NPPES sends data directly to the Medicare and Medicaid provider enrollment systems.	NPPES does not send data to the Medicare or Medicaid provider enrollment systems or to the provider enrollment system of any health plan. As explained in the NPI Final Rule, applying for enrollment in a health plan (such as Nevada Medicaid/Nevada Check Up) is a completely separate process from the process of applying for an NPI.
NPPES sends data directly to Medicare or Medicaid claims systems.	NPPES does not send data to Medicare or Medicaid claims systems or to the claims system of any health plan.
NPPES is part of the Medicaid and Medicare provider enrollment	Obtaining an NPI is required in order for a health care provider to enroll in Medicaid or Medicare; however, the NPPES does not function as a part of

systems.	the Medicaid or Medicare provider enrollment systems.
Obtaining an NPI guarantees payment to the health care provider by a health plan.	As explained in the NPI Final Rule, obtaining an NPI does not guarantee payment to the health care provider by any health plan. NPI assignment simply establishes the uniqueness of an enumerated health care provider among all other enumerated health care providers. Most health plans will not pay a health care provider that is not enrolled in that health plan.
NPPES verifies licenses and credentials that are reported by health care providers when applying for NPIs.	NPPES does not verify licenses or credentials. NPPES verifies only two things: (1) It verifies a health care provider's Social Security Number (SSN) if the health care provider furnished his/her SSN when applying for the NPI; and (2) Using special software, it verifies that the health care provider's business mailing and practice location addresses are legitimate Postal Service addresses, but not that the health care provider is actually associated with or located at either of those addresses. Licensure and credentials must be verified by health plans as part of their enrollment processes. Health care providers are reminded that the information they send to NPPES must be true, correct and complete, in accordance with the Certification Statement of the NPI Application/Update Form (paper form and web-based form). Reminder: SSNs should not be reported in the NPPES fields that are disclosable under the Freedom of Information Act (FOIA) (for details on this reminder see Web Announcement 177 posted at http://nevada.fhsc.com)
NPPES is a Medicare and Medicaid system.	NPPES is not a Medicare or Medicaid system; it belongs to no health plan. NPPES is maintained by CMS for the health care industry in general, in accordance with the NPI Final Rule and as part of CMS' delegated HIPAA authority. Health care providers who apply for NPIs are not required to furnish any information about their enrollment in any health plan.
The NPI Enumerator can update Medicaid and Medicare claims and enrollment systems.	The NPI Enumerator cannot view, update or interact with Medicaid or Medicare claims or their enrollment systems, nor can it do so with any health plan's claims or enrollment systems.
The NPI Enumerator can view and update/change the Medicare NPI Crosswalk.	The NPI Enumerator cannot view or update/change the Medicare NPI Crosswalk. The NPI Enumerator can assist providers with certain aspects of updating their NPPES records, and some of that information in those NPPES records could be used by Medicare in the Medicare NPI Crosswalk.
The NPI Enumerator serves only Medicaid and Medicare providers and supports only Medicaid and Medicare operations, not other providers or health plans.	The NPI Enumerator operates under contract to CMS in accordance with the NPI Final Rule and as part of CMS' delegated HIPAA authority. The NPI Enumerator serves the entire health care provider community for NPI purposes, not just Medicaid and Medicare providers. The functions of the NPI Enumerator are not specific to any health plan.