

Changes to Medi-Cal Billing Requirements for Medical Supplies Effective April 1, 2009

**Provider Roundtable Discussion
October 29, 2008**

Introductions

- Debra Dixon, EDS Provider Relations Organization
- Cindy Garrett, EDS Provider Relations Organization
- Penni Wright, EDS Provider Relations Organization
- Phyllis Burns, DHCS, Information Technology Management Branch
- Mike Wofford, Pharm. D., DHCS, Pharmacy Benefits Division
- Paul Pontrelli, Pharm. D., DHCS, Pharmacy Benefits Division
- Larry Sifuentes, Utilization Management Division, Field Operations
- Pam Woodworth, Utilization Management Division, Field Operations
- Laurie Squartsoff, Utilization Management Division, Field Operations
- Yolonda Paul, California Children's Services
- Sara Rivera, DHCS, Office of HIPAA Compliance

Meeting Objectives

- Address issues and concerns expressed in previous Roundtable held on 8/27/08
- Present timeline of provider communication activities
- Address questions or concerns about changes

Agenda



- Brief Summary of Changes Effective April 1, 2009
- Recap of August 27, 2008 Roundtable
- Provider Communication Activities and Timelines
- Questions and Open Discussion

Summary of Changes

New requirements effective for dates of service on and after April 1, 2009:

- HCPCS Level II codes required on claims and service/treatment authorizations for all disposable and incontinence medical supplies
- UPN required on *claim* for all contracted items (not required on service/treatment authorizations)
- Valid standards for medical supply claims:
 - Electronic – ASC X12N 837P 4010A1
 - Paper – CMS-1500

Summary of Changes, cont'd.

Discontinued requirements effective for dates of service on and after April 1, 2009:

- Local "99" medical supply billing codes
- Pharmacy Claim Form (30-1) for medical supplies only
- NCPDP Version 1.1 batch standard for medical supplies

Summary of Changes, cont'd.

- Impacts DME and Pharmacy Providers
- Billing changes are not applicable for the following products:
 - Diabetic Supplies (test strips and lancets)
 - Peak Flow Meters and Inhalers
 - Family PACT products

Recap of August 2008 Roundtable



- Major areas of concern expressed by providers:
 - ✓ TAR and SAR transition to HCPCS
 - ✓ Access to crosswalks (local code/HCPCS/UPN)
 - ✓ Loss of pharmacy medical supply billing formats (NCPDP Batch and paper 30-1)
- FAQs developed based on questions and concerns expressed in roundtable
- Identified and followed on actions

Transition Plan for Medi-Cal TARs

- Effective April 1, 2009, new medical supply TARs for service periods on or after April 1, 2009 must include HCPCS Level II codes
- A 90 day-grace period will be allowed for previously approved TARs that include an authorization period after April 1, 2009:
 - Providers can continue to bill claims with local codes for previously approved TARs until the end of the grace period – June 30, 2009
 - A TAR service line with a local code on previously approved TARs will automatically be end-dated as of June 30, 2009
 - Providers must submit new TARs, prior to the end of the grace period, with HCPCS Level II codes to cover service periods beyond June 30, 2009 on previously approved TARs

Transition Plan for Medi-Cal TARs, cont'd.



- Effective January 5, 2009, providers can submit paper or electronic TARs with dual lines.
- New coding requirements and crosswalks will be available at that time.

Transition Plan for Medi-Cal TARs, cont'd.



Previously authorized TARs with “Thru” dates beyond June 30, 2009
(Refer to Example 1, slides 12-13)

- Providers should review their inventory of authorized TARs and identify those with an authorization period beyond June 30, 2009.
- Providers should prepare a new paper or electronic TAR using the new HCPCS Level II code(s) to cover any remaining service period beyond June 30, 2009 for previously authorized TARs.
 - If the submitted TAR is to update the codes for the same authorization period, it will not be reviewed for medical necessity.
 - A TAR extending the previously authorized period *will* require a new medical necessity review.
- TARs should be clearly identified as a “Code Conversion TAR.” Providers using paper TARs should place the previously approved TAR number in the Medical Justification area. Providers using eTAR should place the information in the Miscellaneous TAR Information field.



Example 1:
**Previously authorized service(s)
 approved beyond June 30, 2009.
 Prepare new TAR for remaining
 service(s) period.**

**REQUEST
 SERVICES**

(PLEASE TYPE) FOR PROVIDER USE (PLEASE TYPE)

VERBAL CONTROL NO.

TYPE OF SERVICE REQUESTED: 2 DRUG OTHER

REQUEST IS RETROACTIVE? YES NO

IS PATIENT MEDICARE ELIGIBLE? YES NO

PROVIDER PHONE NO.

PROVIDER NAME AND ADDRESS

PLEASE TYPE YOUR NAME AND ADDRESS HERE

3 PROVIDER NUMBER

NAME AND ADDRESS OF PATIENT

PATIENT NAME (LAST, FIRST, M.I.)

4

MEDI-CAL IDENTIFICATION NO.

5

CHECK DIGIT

6

SEX AGE DATE OF BIRTH

7

8

STREET ADDRESS

CITY, STATE ZIP CODE

PHONE NUMBER AREA ()

PATIENT STATUS: HOME BOARD & CARE SNF/ICF ACUTE HOSPITAL

DIAGNOSIS DESCRIPTION:

ICD-9-CM DX CODE

MEDICAL JUSTIFICATION:
**Code Conversion TAR. Previous TAR authorized beyond
 June 30, 2009. Previous TAR number: 12345678901.**

PATIENT'S AUTHORIZED REPRESENTATIVE (IF ANY)
 ENTER NAME AND ADDRESS;
 .
 .

FOR STATE USE ONLY

33 PROVIDER, YOUR REQUEST IS:

1 APPROVED AS REQUESTED DENIED DEFERRED

2 APPROVED AS MODIFIED (ITEMS MARKED BELOW AS AUTHORIZED MAY BE CLAIMED) JACKSON VS RANK PARAGRAPH CODE

BY

MEDI-CAL CONSULTANT REVIEW

COMMENTS INDICATOR

I.D.# 35 DATE 44

34 M M D D Y Y

COMMENTS/EXPLANATION:

RETROACTIVE AUTHORIZATION IN ACCORDANCE WITH SECTION 51003(b)

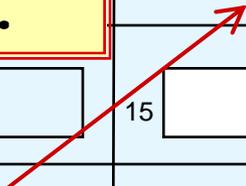
36 1 2 3 4 5 6

Example 1: Previously authorized service(s) is approved beyond June 30, 2009. Prepare new TAR for remaining service(s) period.

NDC/UPC OR PROCEDURE CODE CHARGES
QUANTITY

2	13	14			11	New Code*	12		\$
					15		16		\$
3	17	18			19		20		\$
					23		24		\$
4	21	22			27		28		\$
					31		32		\$
5	25	26							\$
									\$
6	29	30							\$
									\$

*New Code =
New HCPCS
Code



TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE, ACCURATE AND COMPLETE AND THE REQUESTED SERVICES ARE MEDICALLY INDICATED AND NECESSARY TO HEALTH OF THE PATIENT.

AUTHORIZATION IS VALID FOR SERVICES PROVIDED

37 FROM DATE 38 TO DATE

--	--	--	--	--	--	--	--	--	--

TAR CONTROL NUMBER

39 OFFICE	SEQUENCE NUMBER	PI
	40030000	

SIGNATURE OF PHYSICIAN OR PROVIDER

TITLE

DATE

Transition Plan for Medi-Cal TARs, cont'd.



New TARs

- TARs submitted on or after January 5, 2009 should have the local code **and** the new HCPCS Level II codes on separate lines with the appropriate units and quantity fields filled in each line. (Refer to Example 2, slides 15-16)
- New TARs with a requested service period on or after April 1, 2009 should only have the new HCPCS Level II codes with the appropriate units and quantity fields filled in. (Refer to Example 3, slides 17-18)



Example 2:

Requested service period begins prior to April 1, 2009 and extends beyond June 30, 2009.

REQUEST

STATE OF CALIFORNIA DEPARTMENT OF HEALTH SERVICES

(PLEASE TYPE)

FOR PROVIDER USE

(PLEASE TYPE)

VERBAL CONTROL NO.

TYPE OF SERVICE REQUESTED
 2 DRUG OTHER

REQUEST IS RETROACTIVE?
 YES NO

IS PATIENT MEDICARE ELIGIBLE?
 YES NO

PROVIDER PHONE NO.

PLEASE TYPE YOUR NAME AND ADDRESS HERE

PROVIDER NAME AND ADDRESS
 .
 .
 .

3 PROVIDER NUMBER

NAME AND ADDRESS OF PATIENT
 PATIENT NAME (LAST, FIRST, M.I.)
 4

MEDI-CAL IDENTIFICATION NO CHECK DIGIT 6
 5

STREET ADDRESS
 CITY, STATE ZIP CODE
 PHONE NUMBER AREA ()

SEX AGE DATE OF BIRTH
 7 8

PATIENT STATUS
 HOME BOARD & CARE
 SNF/ICF ACUTE HOSPITAL

DIAGNOSIS DESCRIPTION: ICD-9-CM DX CODE

MEDICAL JUSTIFICATION:
Service period: March 1, 2009 through August 31, 2009.

PATIENT'S AUTHORIZED REPRESENTATIVE(IF ANY)
 ENTER NAME AND ADDRESS;
 .
 .

FOR STATE USE ONLY

33 PROVIDER, YOUR REQUEST IS:

1 APPROVED AS REQUESTED DENIED DEFERRED

2 APPROVED AS MODIFIED (ITEMS MARKED BELOW AS AUTHORIZED MAY BE CLAIMED) JACKSON VS RANK PARAGRAPH CODE

BY _____
 MEDI-CAL CONSULTANT REVIEW

I.D.# 35 DATE 44
 34 M M D D Y Y

COMMENTS/EXPLANATION:

RETROACTIVE AUTHORIZATION IN ACCORDANCE WITH SECTION 51003(b)

36 1 2 3 4 5 6

Example 2: Requested service period begins prior to April 1, 2009 and extends beyond June 30, 2009.

C/UPC OR
PROCEDURE
CODE QUANTITY CHARGES

					Old Code*	12	##	\$	
2	13		14		New Code**	15	##	\$	
3	17		18			19		\$	
4	21		22			23		\$	
5	25		26			27		\$	
6	29		30			31		\$	

*Old Code = Local Code

**New Code = New HCPCS Code

TAR service period March 1, 2009 through August 31, 2009. March 2009 service line uses "Old Code" with appropriate units and quantity; April 2009 through August 2009 uses "New Code" with appropriate units and quantity.

ORIZATION IS VALID FOR SERVICES
DED
FROM DATE 38 TO DATE

TAR CONTROL NUMBER
SEQUENCE NUMBER PI
40030000

SIGNATURE OF PHYSICIAN OR PROVIDER TITLE DATE

Example 3:

Requested service period begins on or after April 1, 2009.



TREATMENT AUTHORIZATION REQUEST STATE OF CALIFORNIA DEPARTMENT OF HEALTH SERVICES

(PLEASE TYPE) FOR PROVIDER USE (PLEASE TYPE)

VERBAL CONTROL NO.

TYPE OF SERVICE REQUESTED: 2 DRUG OTHER

REQUEST IS RETROACTIVE? YES NO

IS PATIENT MEDICARE ELIGIBLE? YES NO

PROVIDER PHONE NO.

PLEASE TYPE YOUR NAME AND ADDRESS HERE

PROVIDER NAME AND ADDRESS

3 PROVIDER NUMBER

NAME AND ADDRESS OF PATIENT

PATIENT NAME (LAST, FIRST, M.I.)

4

MEDI-CAL IDENTIFICATION NO

CHECK DIGIT 6

5

SEX AGE DATE OF BIRTH

7 8

STREET ADDRESS

CITY, STATE ZIP CODE

PHONE NUMBER AREA ()

PATIENT STATUS: HOME BOARD & CARE SNF/ICF ACUTE HOSPITAL

DIAGNOSIS DESCRIPTION:

ICD-9-CM DX CODE

MEDICAL JUSTIFICATION:
Service period: April 1, 2009 through September 30, 2009.

PATIENT'S AUTHORIZED REPRESENTATIVE (IF ANY)
ENTER NAME AND ADDRESS;
.
.

FOR STATE USE ONLY

33 PROVIDER, YOUR REQUEST IS:

1 APPROVED AS REQUESTED DENIED DEFERRED

2 APPROVED AS MODIFIED (ITEMS MARKED BELOW AS AUTHORIZED MAY BE CLAIMED) JACKSON VS RANK PARAGRAPH CODE

BY

MEDI-CAL CONSULTANT REVIEW COMMENTS INDICATOR

I.D.# 35 DATE 44

34 M M D D Y Y

COMMENTS/EXPLANATION:

RETROACTIVE AUTHORIZATION IN ACCORDANCE WITH SECTION 51003(b)

36 1 2 3 4 5 6

Example 3: Requested service period begins on or after April 1, 2009.

LINE NO	QUANTITY	NDC/UPC OR PROCEDURE CODE	CHARGES	S OF /ICE	
				11	12
1		New Code*	\$		
2	13	14	\$	15	16
3	17	18	\$	19	20
4	21	22	\$	23	24
5	25	26	\$	27	28
6	29	30	\$	31	32

*New Code = New HCPCS Code

TO THE BEST OF MY KNOWLEDGE, THE ABOVE INFORMATION IS TRUE, ACCURATE AND COMPLETE AND THE REQUESTED SERVICES ARE MEDICALLY INDICATED AND NECESSARY TO HEALTH OF THE PATIENT.

AUTHORIZATION IS VALID FOR SERVICES PROVIDED

37 FROM DATE 38 TO DATE

--	--	--	--	--	--	--	--	--	--

TAR CONTROL NUMBER

39 OFFICE SEQUENCE NUMBER PI

40030000

SIGNATURE OF PHYSICIAN OR PROVIDER TITLE DATE

Transition Plan for CCS SARs

- Effective for dates of service on and after April 1, 2009, new medical supply SARs must include HCPCS Level II codes
- A 90-day grace period will be allowed for existing SARs effective for dates of service after April 1, 2009:
 - Providers can continue to bill claims using local “99” codes with existing SARs until the end of the grace period – June 30, 2009
 - For SARs extending beyond June 30, 2009, providers must request new SARs with HCPCS Level II codes *prior* to end of grace period

Transition Plan for CCS SARs, cont'd.



- Beginning January 5, 2009, providers with *existing* medical supply SARs that extend beyond March 31, 2009, can submit requests for SARs with HCPCS Level II codes (cross-walked from the local codes) for dates of service effective April 1, 2009
- At the same time, providers should request existing SARs with the local codes be end-dated effective March 31, 2009

Transition Plan for CCS SARs, cont'd.



- Beginning January 5, 2009, providers requesting *new* medical supply SARs for services beyond March 31, 2009, can submit requests for SARs with the local codes for dates of service ending March 31, 2009
- SAR requests received after March 31, 2009 with local codes will be returned to the provider for HCPCS Level II codes

Transition Plan for CCS SARs, cont'd.



- Review the lists of the medical supply SARs that will extend beyond March 31, 2009, which will be provided by the local CCS program or regional office.
- Work with the CCS program to end-date the SARs with local codes effective March 31, 2009 and issue new SARs with HCPCS Level II codes effective April 1, 2009.

Transition Plan for CCS SARs/TARs, cont'd.



- Be familiar with the pertinent *Medi-Cal Updates* bulletins, as well as the eTAR tutorials on the Medi-Cal Web site:
<http://files.medi-cal.ca.gov/pubsdoco/eo/elearning.asp>
- Know the crosswalk of the local codes to the HCPCS Level II codes. Crosswalks will be available to providers on January 5, 2009.
- Work with the TAR field office/CCS program for the transition of medical supply TARs/SARs from local codes to HCPCS Level II codes.

Medical Supply Code Conversion Crosswalks



- On January 5, 2009 an Excel and PDF version of the crosswalks (HCPCS/UPNs/Local Codes) will be available for download from the Medi-Cal Web site as part of the public commentary proceedings. This crosswalk will be available on the Web site until the effective date of the changes.
- On-going maintenance of the billing codes will be maintained in the Medi-Cal provider manual.
- The final updates to the Medi-Cal provider manual will be available 30-days prior to the implementation of the changes.

Loss of Pharmacy Billing Formats for Medical Supplies (NCPDP Batch 1.1 and 30-1 Paper)



- Effective April 1, 2009, all medical supply products billed with HCPCS Level II codes must be submitted on the ASC X12N 837P 4010A1 electronic standard or the CMS-1500 paper claim form.
- This change is not applicable to the diabetic supplies, peak flow meters, inhalers and F-PACT family planning products. Providers can continue to use the NCPDP formats and the 30-1 paper claim form for these items.

Provider Communication Timeline



**Oct
2008**

Claim Form
Tutorials on
Web Site

Flyer
Campaign
Begins

Provider
Roundtable 2

**Nov
2008**

Notification
of Upcoming
Public
Comment
Period

Announce
Anticipated
Provider
Workshops

Letter to Vendors/
Clearinghouses

**Dec
2008**

Article in
Provider
Bulletins,
Public
Comment
Reminder

Announce
Anticipated
Provider
Workshops

Provider Communication Timeline



Jan 2009	Feb 2009	March 2009	April 2009
Reminder/ Invitation: Public Comment Period January 5 to February 6	Provider Workshops	Detailed Policy Mailed	Begin New Medical Supply Billing Requirements for Dates of Service on or after April 1, 2009
Provider Roundtable 3	Reminder Article in Provider Bulletins and Web Site	Provider Manual Replacement Pages	
Provider Workshops		Reminder Article in Provider Bulletins and Web Site	
TAR/SAR transition period begins		Inclusion of UPN at Medi-Cal Provider Seminars	

Resources

- Telephone Service Center
1-800-541-5555, then choose appropriate prompt
- Medi-Cal Web site for provider manuals and companion guides www.medi-cal.ca.gov
- Medical Supplies Billing Requirements web page
<http://files.medi-cal.ca.gov/pubsdoco/medsupply/medsupply.asp>
- California Children's Services (CCS) Web site
<http://dhcs.ca.gov/services/ccs>
- Provider Part 2 manuals, TAR Field Office Addresses (tar field)

Discussion and Questions



Thank You!