



California Department of Health Care Services



Changes to Medi-Cal Billing Requirements for Medical Supplies

Effective April 1, 2009

Provider Round Table Discussion

Introductions

- Ed Boes, DHCS, Pharmacy Benefits Division
- Sara Rivera, DHCS, Office of HIPAA Compliance
- Maureen Tooker, DHCS, Information Technology Management Branch
- Mike Wofford, Pharm. D., DHCS, Pharmacy Benefits Division
- Debra Dixon, EDS Provider Relations Organization
- Cynthia Garrett, EDS Provider Relations Organization
- Penni Wright, EDS Provider Relations Organization

Meeting Objectives

- Provide information and awareness about new medical supply billing requirements
- Present timeline of provider communication activities
- Address questions or concerns about changes

Agenda



- Background
- Summary of Recently Implemented Billing Requirements
- Overview of Billing Changes Effective April 1, 2009
- Provider Communication Activities and Timelines
- Resources
- Questions and Open Discussion

Background – Why Change?

- Federal HIPAA Requirements
 - HCPCS for medical supply code identification
 - ASC X12N 837 4010A1 for medical supply electronic claims
- State Requirements
 - Manufacturer contracts for select medical supplies
 - Unique product identification required for tracking and reimbursement of contracted items
 - HIPAA allows for the UPN on electronic claims

Recently Implemented Billing Requirements



- UPN currently required on claim attachment for selected items, such as
 - Catheters
 - Some wound-care items
- Future UPN requirement for additional items

New Coding Requirements

Effective for April 1, 2009 date of service:

- ✓ Discontinue local medical supply billing codes
- ✓ HCPCS Level II codes required for all disposable and incontinence medical supplies

New Coding Requirements, cont.

Effective for April 1, 2009 date of service:

- ✓ UPN required for all contracted items
- ✓ Only product identification numbers listed in provider manual under “UPN” will be acceptable for billing purposes
- ✓ Impacts DME and Pharmacy Providers

Claim Transaction Formats

Effective for April 1, 2009 date of service:

- ✓ Valid standards for medical supply claims:
 - Electronic – ASC X12N 837P 4010A1
 - Paper – CMS-1500

- ✓ Discontinue medical supply claim submissions on the Pharmacy 30-1 paper form and the NCPDP 1.1 batch transaction

- ✓ Provider manuals and Companion Guides will be updated with instructions for billing

Sample Provider Manual Page for Contracted Items



Medical Supply Products: Wound Care – Advanced Contracted

| <u>Description</u> | <u>UPN Qual</u> | <u>UPN</u> | <u>Billing Code (HCPCS)</u> | <u>MAC</u> | <u>Unit of Measure</u> | <u>Old Billing Code (prior to 4/1/09)</u> |
|-------------------------------|-----------------|----------------|-----------------------------|------------|------------------------|---|
| <i>Coloplast</i> | EN | 0762123033098 | A6196 | \$1.93 | each | 9908PJN |
| SeaSorb Soft Alginate 2" x 2" | | | | | | |
| SeaSorb Soft Alginate 4" x 4" | EN | 0762123033128 | A6196 | \$3.85 | each | 9908RJN |
| <i>Deroyal</i> | | | | | | |
| Kalginat Alginate 2" x 2" | UK | 00749756055208 | A6196 | \$1.93 | each | 9908PYJ |
| Kalginat Alginate 4" x 4" | UK | 00749756055260 | A6196 | \$3.85 | each | 9908RYJ |
| <i>Gentell</i> | | | | | | |
| Gentell Alginate 2" x 2" | ON | 06155413202 | A6196 | \$1.93 | each | 9908P2J |
| Gentell Alginate 4" x 4" | ON | 06155413504 | A6196 | \$3.85 | each | 9908R2J |

Sample Provider Manual Page for Non-Contracted Items



Medical Supply Products: Wound Care – Advanced Non-Contracted

| <u>Description</u> | <u>Billing Code (HCPCS)</u> | <u>MAPC</u> | <u>Unit of Measure</u> | <u>Old Billing Code (Prior to 4/1/09)</u> |
|---|-----------------------------|-------------|------------------------|---|
| Gauze, impregnated, hydrogel, for direct wound contact, pad size greater than 16 sq. in., but less than or equal to 48 sq. in. | A6232 | \$5.50 | each | 9908U |
| Gauze, impregnated, hydrogel, for direct wound contact, pad size more than 48 sq. in. | A6233 | \$15.35 | each | 9911L |
| Hydrogel dressing, wound cover, pad size 16 sq. in. or less, with any size adhesive border | A6245 | \$5.82 | each | 9911R |
| Hydrogel dressing, wound cover, pad size more than 16 sq. in. but less than or equal to 48 sq. in., with any size adhesive border | A6246 | \$7.94 | each | 9911S |

UPN on the ASC X12N 837P

Placement of the UPN on the ASC X12N 837P:

- The Medi-Cal companion guide provides UPN billing instructions for the 2410 Service Line Loop

UPN on the CMS-1500

Placement of the CMS-1500 Claim Form:

- The Medi-Cal provider manual will include UPN billing instructions
- The CMS-1500 allows for placement of the UPN in the shaded area of Box 24A
 - Unit of measure and quantity required in shaded area of Box 24D

Provider Communication Timeline



| Aug 2008 | Sept 2008 | Oct 2008 | Nov 2008 | Dec 2008 |
|---------------------|----------------------------------|---|---|---|
| Provider Roundtable | Roundtable Documents on Web Site | Claim Form Tutorials on Web Site Flyer Campaign Begins | Notification of Upcoming Public Comment Period Announce Anticipated Provider Workshops | Article in Provider Bulletins, Public Comment Reminder Announce Anticipated Provider Workshops |

Provider Communication Timeline

| Jan 2009 | Feb 2009 | March 2009 | April 2009 |
|---|--|---|--|
| <p>Reminder and Invitation: Public Comment Period January 5 to February 6</p> <p>Anticipated Provider Workshops Throughout California</p> | <p>Anticipated Provider Workshops Throughout California</p> <p>Reminder Article in Provider Bulletins and Web Site</p> | <p>Detailed Policy Mailed</p> <p>Provider Manual Replacement Pages</p> <p>Reminder Article in Provider Bulletins and Web Site</p> <p>Inclusion of UPN at Medi-Cal Provider Seminars</p> | <p>Begin New Medical Supply Billing Requirements for Dates of Service on or after April 1, 2009</p> |

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
- CMS Web site for HIPAA standards
<http://www.cms.hhs.gov/>

Discussion and Questions



Thank You!