



Inpatient Services

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2007 CPT-4/HCPSC Updates: Implementation August 1, 2007

The 2007 updates to the *Current Procedural Terminology – 4th Edition* (CPT-4) and Healthcare Common Procedure Coding System (HCPCS) National Level II codes will be effective for Medi-Cal for dates of service on or after August 1, 2007. Specific policy changes are detailed below. Unless otherwise stated, the policy of deleted code(s) applies to the replacement code(s). Providers are reminded that Medi-Cal enforces CPT-4 instructions.

MEDICINE

Deleted and Replacement Codes

<u>Deleted Code(s)</u>	<u>Replacement Code(s)</u>
94656 – 94657	94002, 94003

Billing Restrictions

CPT-4 codes 94002 – 94003 (ventilator management) and 94644 – 94645 (continuous inhalation treatment) require a *Treatment Authorization Request* (TAR) or Medi reservation when performed by a Respiratory Care Practitioner.

Providers are reminded that preventative medicine CPT-4 codes 99381 and 99391 have age restrictions of younger than one year; code 99382 is restricted to recipients 1 through 4 years of age.

The manual replacement pages reflecting these policies will be released in the July *Medi-Cal Update*.

Redirection of Treatment Authorization Request Services

Effective July 1, 2007, several regionalized *Treatment Authorization Request* (TAR) services provided by the Fresno Medi-Cal Field Office (FMCFO) are being redirected to the Northern and Southern Pharmacy Sections (NPS and SPS), Sacramento Medi-Cal Field Office (SMCFO) and San Francisco Medi-Cal Field Office (SFMCFE).

TAR services currently handled by the FMCFO will be redirected as follows:

- Intravenous home infusion equipment services, including all medical supplies related to infusion therapy, and all Durable Medical Equipment (DME) and medical supplies related to enteral feeding, have been redirected to the NPS and SPS.
- Medical supplies related to incontinence, including urinary catheters and bags, have been redirected to the SMCFO.
- Breast pumps and supplies have been redirected to the SFMCFE.
- Physician-administered drugs and/or physician-performed services/procedures, radiology services, inpatient and outpatient surgeries and procedures that require a TAR and elective acute hospital admissions have been redirected to the SMCFO.

*Please see **Redirection**, page 2*

Redirection *(continued)*

Providers located in Oregon border cities were required to submit their TARs, for core services only, to SMCFO effective May 1, 2004.

The California Department of Health Services (CDHS) does not anticipate any delays in adjudication of these TAR types.

Manual replacement pages will be released in a future *Medi-Cal Update*.

Processing Changes for Treatment Authorization Requests

Beginning May 1, 2007, the California Department of Health Services (CDHS) started phasing in several changes that impact how paper *Treatment Authorization Requests* (TARs) are processed.

These changes are being implemented to minimize the key data entry of incomplete or erroneous TAR information and to reduce the volume of paper documents containing Protected Health Information (PHI), particularly Social Security Numbers (SSNs) that are sent via:

- United States Postal Service
- Courier services
- Other types of delivery services

CDHS expects to complete this phased implementation by September 2007.

Processing Change Schedule

Processing changes to paper TARs impact providers interacting with the Medi-Cal field offices and pharmacy sections on the following dates:

<p>May 2007 Sacramento Medi-Cal Field Office</p>	<p>August 2007 Fresno Medi-Cal Field Office</p>
<p>June 2007 Northern Pharmacy Section (Stockton) Southern Pharmacy Section (L.A.)</p>	<p>San Bernardino Medi-Cal Field Office San Diego Medi-Cal Field Office San Francisco Medi-Cal Field Office</p>
<p>July 2007 L.A. Medi-Cal Field Office In-Home Operations South</p>	<p>September 2007 TAR Administrative Remedy Section In-Home Operations North</p>

Incomplete TARs

CDHS Medi-Cal field offices and pharmacy sections will be unable to enter paper TARs with incomplete information into the TAR system. These paper TARs will be deferred back to the submitting provider, with a Medi-Cal field office/pharmacy section *Incomplete TAR Form* identifying the reasons for deferral and instructions about how to resubmit the paper TAR with the necessary corrections.

Providers are to:

- Make the necessary corrections/changes on the paper TAR, and
- Resubmit with a copy of the *Incomplete TAR Form* on top of the paper TAR.

Paper TARs that are returned to the submitting provider for correction will not be available for inquiry through the Provider Telecommunications Network (PTN).

Please see Processing Changes, page 3

Processing Changes (*continued*)

Any one of the reasons below will not allow the paper TAR information to be entered into the system. The reason(s) will be marked on the *Incomplete TAR Form* and sent back to the submitting provider for corrections. These reasons may consist of one or more of the following:

- The TAR form is illegible or damaged.
- The submitting provider number is missing, inactive, suspended or invalid for the category of service requested.
- The patient's Medi-Cal ID number is missing, invalid or invalid in length, and the patient's name/date of birth is missing.
- The patient is not Medi-Cal eligible.
- Information in the *Admit From* field (Box 14) on the *Long Term Care Treatment Authorization Request* (LTC TAR, form 20-1) is missing or invalid.
- The requested service information is missing, invalid or invalid in length.
- The ICD-9-CM diagnosis code, admitting ICD-9-CM diagnosis code and/or primary DX diagnosis code is missing or invalid.
- The County Medical Services Program (CMSP) pharmacy services are covered by MEDIMPACT. Providers may call 1-800-788-2949 for further information.
- The requested Adult Day Health Care (ADHC) service should specify the months and the number of requested days for each calendar month on separate lines of the TAR. The TAR request should not exceed six months or have more than one service line for a given calendar month. Providers may refer to the appropriate Part 2 manual for specific TAR preparation instructions.

Adjudication Response

CDHS will discontinue the practice of returning adjudicated paper TAR copies to providers based on the schedule above. Instead, providers will receive an *Adjudication Response* (AR), which will display:

- The status of requested service(s)
- The reason(s) for the decision(s), including TAR decisions resulting from an approved or modified appeal
- The adjudicator's request for additional information, if necessary

The AR will enable the provider to respond to the requested information or proceed to bill for authorized services. (See the *Adjudication Response* example at the end of this article.) Providers should keep a copy of the AR for their records and use it when responding to deferrals or when requesting an update/correction to a previously approved or modified TAR.

When requesting an update/correction, a copy of the AR must be placed on top of newly submitted documents to ensure the information can be matched with previously submitted documentation. Providers should clearly specify what change(s) are being requested.

The ARs will be mailed to the provider's address on file with CDHS' Payment Systems Division, Provider Enrollment Branch (PEB). Providers should ensure PEB has their most up-to-date mailing address on file. Instructions about changing/updating a provider address may be found on the Medi-Cal Web site (www.medi-cal.ca.gov). From the home page, click the "Provider Enrollment" link and then the "Provider Reminders" link at the top of the page.

Attachments

On November 15, 2006, CDHS notified providers via a flyer that attachments were no longer being returned with deferred paper TARs. Medi-Cal field offices and pharmacy sections will continue to retain and archive all attachments for reference.

Providers responding to a deferred TAR should return the AR and any new attachment(s) requested.

Please see Processing Changes, page 4

Processing Changes (continued)

SSN on TARs

In accordance with *Medi-Cal Updates* issued in August and September 2006, providers should use the recipient’s Benefits Identification Card (BIC) number on the TAR, rather than the SSN. If a TAR is returned to a provider because of inaccurate and/or incomplete information, the SSN will be removed.

Provider questions may be directed to the local Medi-Cal field office or pharmacy section.

National Provider Identifier (NPI) Number

Providers should be aware that the NPI number will not be accepted on TARs until after the official NPI implementation date of November 26, 2007. For detailed information about the new NPI implementation date, providers can view the “Important NPI Time Frame Changes” article posted in the “HIPAA News” area of the Medi-Cal Web site (www.medi-cal.ca.gov).

TARs issued under the old provider number (legacy number) prior to November 26, 2007 can still be used for claims submitted with an NPI starting on or after November 26, 2007. Providers will not have to request an updated TAR with the NPI information.

State of California - Health and Human Services Agency
Department of Health Services

CONFIDENTIAL

ARNOLD SCHWARZENEGGER, Governor

Medi-Cal Operations Division

ADJUDICATION RESPONSE



Provider Number: HSCXXXXXX
XXX CONTRACT HOSP #2
3215 PROSPECT PARK DR
RNCHO CORDOVA, CA 95670-6017

DCN (Internal Use Only): 123456789101
Date of Action: 06/27/2006
Regarding: Jane Doe
TAR Control Number: 9876543210

This is to inform you that a Treatment Authorization Request has been adjudicated. If you have any questions regarding this adjudication response, please contact your local Medi-Cal Field Office. The decision(s) follow:

Svc #	Service Code	Modifier(s)	Service Description	From Date of Service	Thru Date of Service	Units	Quantity	Status	P.I.
1	123ABC	1	Service Description 1	01-01-2006	01-31-2006	12345	1000000.123	1 Approve	1
2	ABC123	2	Service Description 2	01-01-2006	01-31-2006	12345	1000000.123	2 Modify	0
Reason(s):		GEN: Modified, refer to comments							
Comment(s):		Comments from Field Office Consultant 2							
3	ABC123	3	Service Description 3	01-01-2006	01-31-2006	12345	1000000.123	3 Deny	3
Reason(s):		GEN: Denied, refer to comments							
Comment(s):		Comments from Field Office Consultant 3							
4	ABC123	4	Service Description 4	01-01-2006	01-31-2006	12345	1000000.123	4 Defer	5
Reason(s):		GEN: Deferred, refer to comments							
Comment(s):		Comments from Field Office Consultant 4							

Authorization does not guarantee payment. Payment is subject to Patient's eligibility. Please ensure that the Patient's eligibility is current before rendering service.

If you have received this document in error, please call the Telephone Service Center, 1-800-541-5555 in California, 1-916-636-1200 out-of-state (follow the prompts for eTAR), to notify the sender. Please destroy this document via shredder or confidential destruction.

CPT-4 Codes 58290 and 58291 No Longer Require Assistant Surgeon TARs

Effective July 1, 2007, CPT-4 codes 58290 (vaginal hysterectomy, for uterus greater than 250 g) and 58291 (vaginal hysterectomy, for uterus greater than 250 g, with removal of tubes and/or ovaries) no longer require *Treatment Authorization Requests* (TARs) for assistant surgeons.

This information is reflected on manual replacement page tar and non cd5 6 (Part 2).

Out-of-State Hospital Inpatient Reimbursement Rate Update

Effective retroactively for dates of service on or after January 1, 2006, the reimbursement rate for acute inpatient services of out-of-state hospitals is \$1,232.

Note: No action is required by providers; previously paid claims will be automatically reprocessed.

Medi-Cal Share of Cost and Medicare Part D Reminder

Medicare-eligible recipients with a Medi-Cal Share of Cost (SOC) are not eligible for Medi-Cal benefits until their SOC is met. Under the Medicare Part D prescription drug program, Medicare beneficiaries with a Medi-Cal SOC may have higher prescription drug payment obligations than beneficiaries without an SOC. These payment obligations may include deductibles and copayments.

All medically necessary health services, whether covered by Medi-Cal or not, can be used to meet SOC for Medi-Cal purposes. All prescription drug payments required under Medicare Part D are considered medically necessary health services. For more information, refer to the Part 1 provider manual.

Prescription drug payments required under the Medicare Part D prescription drug program should be applied to the recipient's SOC upon receiving payment or accepting obligation for payment from the recipient. Delays in performing the SOC clearance transaction may prevent the recipient from receiving other medically needed services.

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Remove and replace
at the end of *Manual*

Ordering section: *Subscriber Order Form 1/2 **

Remove: ancil cod 1 thru 8

Insert: ancil cod 1 thru 6 *

Remove and replace: cont ip 3/4 *
 forms reo io 1/2 *
 tar and non cd5 5/6
 tar comp 1 thru 13 *
 tar crit dp 7 thru 10 *
 tar dis 7/8 *
 tar dis cod 9/10 *
 tar req ext 3 thru 6 *

Remove: tar sub clk 1 thru 3

Remove: tar submit 1/2

Insert: tar submit 1 *

Remove and replace: transplant 5/6 *

* Pages updated due to ongoing provider manual revisions.