



MEDI-CAL UPDATE

Part 2

Billing and Policy

www.medi-cal.ca.gov

Pharmacy

May 2007 • Bulletin 655

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2007 CPT-4/HCPCS 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. The affected codes are listed below. Only those codes representing current or future Medi-Cal benefits are included. Please refer to the 2007 CPT-4 and HCPCS Level II code books for complete descriptions of these codes. Specific policy, billing information and manual replacement pages reflecting these changes will be released in a future *Medi-Cal Update*.

CPT-4 Code Additions

Anesthesia

00625, 00626

Surgery

15002 – 15005, 15731, 17311 – 17315, 19300 – 19307, 22857, 22862, 22865, 25109, 25606 – 25609, 27325, 27326, 28055, 32998, 33202, 33203, 33254 – 33256, 33265, 33266, 33675 – 33677, 33724, 33726, 35302 – 35306, 35537 – 35540, 35637, 35638, 35883, 35884, 37210, 44157, 44158, 47719, 48105, 48548, 49324 – 49326, 49402, 49435, 49436, 54865, 55875, 55876, 56442, 57296, 57558, 58541 – 58544, 58548, 58957, 58958, 64910, 64911, 67346

Radiology

72291, 72292, 76776, 76998, 77001 – 77003, 77011 – 77014, 77021, 77022, 77031, 77032, 77051 – 77059, 77071 – 77077, 77080, 77081, 77371 – 77373, 77435

Pathology and Laboratory

82107, 83698, 83913, 86788, 86789, 87305, 87498, 87640, 87641, 87653, 87808

Medicine

92025, 94002, 94003, 94644, 94645

HCPCS Level II Code Additions

Radiopharmaceuticals

A9527

Injections and Drugs

C9233, J0348, J0894, J1740, J2248, J3243, J7187, J7311, J7611, J7613, J9035, J9261, Q4084 – Q4086

Surgery

G0392, G0393

CPT-4 Codes with Description Changes

Surgery

17000, 17003, 17004, 17110, 19120, 19361, 25600, 26170, 26180, 33681, 35301, 35501, 35506, 35509, 35601, 37216, 43842, 44211, 45400, 51720, 51999, 52204, 54161, 57295, 58950, 61107, 61210

Please see 2007 Updates, page 2

Radiology

70540, 71275, 76506, 76536, 76604, 76645, 76700, 76770, 76856, 76880, 76940, 78350, 78700, 78707 – 78709, 78730, 78761

Pathology and Laboratory

82270 – 82272, 87088, 88104, 88106, 88107, 89060

Vaccines/Immunizations

90655 – 90658, 90669, 90700, 90702, 90714, 90715, 90718, 90732

Medicine

90761, 90766, 94620, 96415, 96423, 99251 – 99255, 99381, 99382, 99391

HCPCS Level II Codes with Description Changes

Implantable Devices and Supplies

C2620, L8614, L8689

Injections and Drugs

J0886, J9264

CPT-4 Code Deletions

Anesthesia

01995

Surgery

15000, 15001, 15831, 17304 – 17307, 17310, 19140, 19160, 19162, 19180, 19182, 19200, 19220, 19240, 21300, 25611, 25620, 26504, 27315, 27320, 28030, 31700, 31708, 31710, 33200, 33201, 33245, 33246, 33253, 35381, 35507, 35541, 35546, 35641, 44152, 44153, 47716, 48005, 48180, 49085, 54152, 54820, 55859, 56720, 57820, 67350

Radiology

75998, 76003, 76005, 76006, 76012, 76013, 76020, 76040, 76061, 76062, 76065, 76066, 76070, 76071, 76075 – 76078, 76082, 76083, 76086, 76088, 76090 – 76096, 76355, 76360, 76362, 76370, 76393, 76394, 76400, 76778, 76986, 78704, 78715, 78760

Medicine

91060, 92573, 94656, 94657, 95078

HCPCS Level II Code Deletions

Transportation Services

A0800

Radiopharmaceuticals

A9549

Injections and Drugs

C9225, J7188, S0116, X7484

Processing Changes for Treatment Authorization Requests

Beginning May 1, 2007, the California Department of Health Services (CDHS) will phase in several changes which will 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 will impact providers interacting with the Medi-Cal field offices and pharmacy sections on the following dates:

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

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 4

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. Please 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. Please 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.

Please see Processing Changes, page 5

Processing Changes (continued)

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.

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.

If you have any questions regarding this information, please contact your 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	<h2 style="margin: 0;">CONFIDENTIAL</h2> <p style="margin: 0;">Medi-Cal Operations Division</p> <h1 style="margin: 0;">ADJUDICATION RESPONSE</h1>	ARNOLD SCHWARZENEGGER, Governor 							
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
Reason(s):		GEN: Modified, refer to comments							
Comment(s):		Comments from Field Office Consultant 2							
2	ABC123	2	Service Description 2	01-01-2006	01-31-2006	12345	1000000.123	2 Modify	0
Reason(s):		GEN: Denied, refer to comments							
Comment(s):		Comments from Field Office Consultant 3							
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.									

Update: CMS-1500 Claim Form Information

The Centers for Medicare & Medicaid Services (CMS) has notified Medi-Cal that there were incorrectly formatted versions of the revised *CMS-1500* claim form being sold by print vendors, specifically the Government Printing Office (GPO). After reviewing the situation, the GPO has determined that the source files it received from the National Uniform Claim Committee's (NUCC) authorized forms designer were improperly formatted. The error resulted in the sale of both printed forms and negatives, which do not comply with the form specifications. However, not all of the new forms are incorrect.

The following will help to properly identify whether providers have a version of the form that needs to be updated. The old version of the form contains "Approved OMB-0938-0008 FORM CMS-1500 (12-90)" on the bottom of the form, typically located in the lower right corner, signifying it is the December 1990 version. The revised version contains "Approved OMB-0938-0999 FORM CMS-1500 (08-05)" on the bottom of the form, signifying it is the August 2005 version.

Checking the information at the upper right hand corner of the form is the best way to identify if that particular version is correct. On properly formatted claim forms, there will be an approximate ¼-inch gap between the tip of the red arrow above the vertically stacked word "CARRIER" and the top edge of the paper. If the tip of the red arrow is touching or close to touching the top edge of the paper, then the form is not printed to specifications.

New Frequently Asked Questions (FAQs) Posted

CMS has posted new "National Provider Identifier (NPI) Frequently Asked Questions (FAQs)" on its Web site. To view these FAQs, visit the NPI area of the CMS Web site at (www.cms.hhs.gov/NationalProvIdentStand) and click "Educational Resources." Scroll down to the "Related Links Inside CMS" area and click "Frequently Asked Questions." Then to find the latest FAQs, click the arrows next to "Date Updated."

Revised Implementation Date for Two-Piece Ostomy Products

Medi-Cal Update 653 announced the implementation of recently negotiated contracts by the California Department of Health Services (CDHS) with manufacturers to obtain a maximum acquisition cost (MAC) for two-piece ostomy products and their associated skin barriers.

This implementation was scheduled for June 1, 2007. However, the implementation date has been changed to July 1, 2007 to add additional billing code categories to assist providers in identifying the specific products for which they are billing.

Please note that the MAC established by these contracts will set the maximum amount that a Medi-Cal provider will pay and/or be reimbursed for these products. Only listed two-piece ostomy products and their associated skin barriers may be benefits.

The products and product codes with the maximum allowable amounts will be listed in the forthcoming *Medical Supply Products: Ostomy* sections of the Part 2 manual.

Billing Transition

Effective for dates of service on or after July 1, 2007, the new two-piece ostomy products and their associated skin barriers and pricing will be implemented. Providers may begin billing two-piece ostomy products and their associated skin barriers using the new product codes effective July 1, 2007. Only listed two-piece ostomy products and their associated skin barriers may be reimbursable. Providers who have obtained *Treatment Authorization Requests* (TARs) for non-contracted items prior to August 1, 2007 will be allowed to continue billing these items until their TAR authorization has been exhausted.

Sodium Hyaluronate Injections Frequency Restriction Update

Effective for dates of service on or after June 1, 2007, HCPCS code X7484 (Synvisc 2 ml) is reimbursable for one series of three weekly injections per knee (one injection, one week apart, for a total of three weeks) every six months. HCPCS codes X7482 (Hyalgan 2 ml) and X7486 (Supartz 25 mg) are reimbursable for one series of five weekly injections per knee (one injection, one week apart, for a total of five weeks) every six months.

When submitting a *Treatment Authorization Request* (TAR), providers must indicate if the injections are being given bilaterally. When one knee has been treated and the procedure reimbursed with an approved TAR, subsequent treatment of the opposite knee will require a separate TAR.

This information is reflected on manual replacement page inject 42 (Part 2).

Policy Changes for Therapeutic Anti-Decubitus Mattresses and Bed Products

Effective for dates of service on or after July 1, 2007, policy for therapeutic anti-decubitus mattresses and bed products is updated to align with that of the Medicare program.

HCPCS codes E0371 (nonpowered advanced pressure reducing overlay for mattress, standard mattress length and width) and E0373 (nonpowered advanced pressure reducing mattress) are reclassified from Group I products to Group II products and must be billed as separate costs from Long Term Care (LTC) facilities’ per diem rates.

Documentation of medical necessity for Group I, Group II and Group III products must be submitted with a *Treatment Authorization Request* (TAR) and meet the guidelines as outlined in Flowcharts A, B, C or D contained in the *Durable Medical Equipment (DME): Bill for Therapeutic Anti-Decubitus Mattresses and Bed Products* section of the Part 2 provider manual. In addition, all initial and reauthorization TARs for support surfaces must be accompanied by the appropriate flowchart(s), based upon the patient’s medical condition and the specific support surface necessary to meet the patient’s medical needs.

These actions are to assist providers in selecting and providing documentation for the authorization of the appropriate support surface for each individual patient.

This information is reflected on manual replacement pages dura bil thp 1 thru 18 (Part 2).

RhuEPO Therapy Target Correction

A previously published table showing the therapy target for recombinant human erythropoietin (RhuEPO) was inconsistent with corresponding medical necessity documentation. The target was previously listed as:

Hct ≤ 39% and/or Hgb 13g/dl.

The “less than or equal to” symbol has been removed from this statement. The corrected information is as follows:

<p><u>RhuEPO (Epoen and Procrit) Therapy Target</u> Target: Hct 39% and/or Hgb 13g/dl</p>	<p><u>Medical Necessity Documentation</u> Medical justification for the higher target such as, but not limited to, ischemic heart disease or congestive heart failure</p>
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This information is reflected on manual replacement pages inject 14 and 16 (Part 2) and the Recombinant Human Erythropoietin (RhuEPO) Documentation Requirements form (Part 2).

Orthotic and Prosthetic Code Modifier Exceptions Update

Effective June 1, 2007, the California Department of Health Services (CDHS) has added HCPCS code L1755 (Legg Perthes orthosis, [Patten bottom type], custom fabricated) to the list of Orthotic and Prosthetic appliance codes that do not require billing with an RT (right side) or LT (left side) modifier. This code may be billed without modifiers.

This information is reflected on manual replacement page [ortho 2](#) (Part 2).

Solano County Added to Children’s Treatment Program List

Solano County has been added to the list of contract counties eligible for payment through the Children’s Treatment Program (CTP) for claims with dates of service on or after July 1, 2006.

This information is reflected on manual replacement page [children 1](#) (Part 2).



Family PACT Policy Updates for CPT-4 Code 88141

Effective for dates of service on or after June 1, 2007, CPT-4 code 88141 (cytopathology, cervical or vaginal [any reporting system], requiring interpretation by physician) is separately reimbursable when billed in conjunction with various pap smear codes (88142, 88143, 88147, 88148, 88164, 88165, 88167, 88174 and 88175) for the same recipient, any provider, and same dates of service when medically justified and documented in the *Reserved for Local Use* field (Box 19) of the claim or on an attachment.

In addition, the frequency limit for code 88141 is changed from once daily to once in 30 days.

New Health Access Program Card Numbering Format

The Family PACT (Planning, Access, Care and Treatment) Program is printing a new inventory of Health Access Programs (HAP) client identification cards with a change in numbering format. The current HAP cards use a 10-digit alphanumeric format beginning with the number “9” and the suffix letter “Y.” New inventory will be identified with the suffix letter “X.” During HAP card transactions, providers should not attempt to manually override the new alphanumeric format.

As current supplies of HAP cards are depleted, the newly formatted cards will be released to enrolled Family PACT providers. For additional information about HAP cards and new distribution quantity guidelines, please see the “Program Letters” page of the Family PACT Web site at www.familypact.org/providers/program-letters.

Provider Orientation and Update Session

Medi-Cal providers seeking enrollment in the Family PACT (Planning, Access, Care and Treatment) Program are required to attend a Provider Orientation and Update Session. The date for an upcoming session is listed below.

Individual and group providers wishing to enroll must send a physician-owner to the session. Clinics wishing to enroll must send the medical director or clinician responsible for oversight of medical services rendered in connection with the Medi-Cal provider number.

Office staff members, such as clinic managers, billing supervisors and patient eligibility enrollment supervisors, are encouraged to attend but are not eligible to receive a *Certificate of Attendance*. Currently enrolled clinicians and staff are encouraged to attend to remain current with program policies and services. Medi-Cal laboratory and pharmacy providers are automatically eligible to participate in the Family PACT Program without attending an orientation session.

The session covers Family PACT provider enrollment and responsibilities, client eligibility and enrollment, special scope of client services and benefits, provider resources and client education materials. This is not a billing seminar.

*Please see **Provider Orientation**, page 9*

Provider Orientation (*continued*)

Please note the upcoming Provider Orientation and Update Session below.

Oakland**June 7, 2007****8:30 a.m. – 4:30 p.m.**

Park Plaza Hotel

150 Hegenberger Road

Oakland, CA 94621

(510) 635-5000

For a map and directions to this location, go to the Family PACT Web site (www.familypact.org) and click “Providers” at the top of the home page, then “Provider Training,” and finally, click the appropriate location.

Registration

To register for an orientation and update session, go to the Family PACT Web site (www.familypact.org) and click “Providers” at the top of the home page, then “Provider Training,” and finally, click the “Registration” link next to the appropriate date and location and print a copy of the registration form.

Fill out the form and fax it to the Office of Family Planning, ATTN: Darleen Kinner, at (916) 650-0468. If you do not have Internet access, you may request the registration form by calling 1-877-FAMPACT (1-877-326-7228).

Providers must supply the following when registering:

- Name of the Medi-Cal provider or facility
- Medi-Cal provider number
- Contact telephone number
- Anticipated number of people attending

Check-In

Check-in begins at 8 a.m. All orientation sessions start promptly at 8:30 a.m. and end by 4:30 p.m. At the session, providers must present the following:

- Medi-Cal provider number
- Medical license number
- Photo identification

Note: Individuals representing a clinic or physician group should use the clinic or group Medi-Cal provider number, not an individual provider number or license number.

Certificate of Attendance

Upon completion of the orientation session, each prospective new Family PACT medical provider will receive a *Certificate of Attendance*. Providers should include the original copy of the *Certificate of Attendance* when submitting the Family PACT application and agreement forms (available at the session) to Provider Enrollment Services. Providers arriving late or leaving early will not receive a *Certificate of Attendance*. Currently enrolled Family PACT providers do not receive a certificate.

Contact Information

For more information about the Family PACT Program, please call 1-877-FAMPACT (1-877-326-7228) or visit the Family PACT Web site (www.familypact.org).

The Family PACT Program was established in January 1997 to expand access to comprehensive family planning services for low-income California residents.

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Remove and replace: cal child sar 5/6 *
cal child ser 1/2 *
children 1/2
cms sub 1/2 *

Remove: dura bil thp 1 thru 7
Insert: dura bil thp 1 thru 18

Remove and replace: inject 13 thru 16, 41/42

Remove and replace
after the *Injections*
section: *Recombinant Human Erythropoietin (RhuEPO) Documentation Requirements*

Remove and replace: ortho 1/2
pcf30-1 sub 1/2 *
tax 5 thru 8 *

* Pages updated due to ongoing provider manual revisions.