Basic Medicaid

Billing Guide

October 2006

SECTION 1 WHO'S WHO IN THE MEDICAID PROGRAM 1-1
What Is Medicaid? 1-1
Centers for Medicare and Medicaid Services 1-1
Department of Health and Human Services 1-1
Division of Medical Assistance 1-1
Department of Social Services 1-1
Electronic Data Systems 1-2
DIVISION OF MEDICAL ASSISTANCE 1-3
ORGANIZATION ROLES 1-3
Recipient and Provider Services 1-3
Clinical Policy and Programs 1-3
Clinical Policy Development and Technical Support 1-3
Practitioner and Clinical Services 1-3
Pharmacy and Ancillary Unit 1-3
Managed Care 1-4
Quality Management 1-4
Piedmont Cardinal Health Plan 1-4
Finance Management 1-4
Information Services 1-4
Rate Setting 1-5
Hospital Reimbursement 1-5
Audit 1-5
Budget Management 1-5
Program Integrity 1-5
SECTION 2 RECIPIENT ELIGIBILITY 2-1
Eligibility Determination 2-1
Eligibility Categories 2-1
When Does Eligibility Begin? 2-2
Retroactive Eligibility 2-2
Eligibility Reversals 2-2
Medicaid Identification Cards 2-3
Blue Medicaid Identification Card 2-5

Family Planning Waiver Card 2-6
Piedmont Cardinal Health Plan Card 2-8
Pink Medicaid Identification Card 2-9
Buff MEDICARE-AID ID Card 2-9
County-Issued Medicaid Identification Cards 2-12
Verifying Eligibility 2-12
Verification Methods 2-12
Transfer of Assets 2-12
Services Included in the Policy 2-13
Medicaid Recipients Subject to the Policy 2-13
Transfer of Assets Determination 2-13
Provider Access to Transfer of Assets Information 2-13
Eligibility Denials 2-14
24 – Visit Limitation 2-16
How to Request an Exemption 2-17
How to Request an Appeal 2-18
Co-payments 2-18
Co-payment Exemptions 2-18
Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) 2-19
SECTION 3 MEDICAID PROVIDER INFORMATION 3-1
Qualifications for Enrollment 3-1
Enrollment Procedure 3-1
Tax Information 3-1
Conditions of Participation 3-2
Civil Rights Act 3-2
Rehabilitation and Disabilities Acts 3-2
Disclosure of Medicaid Information 3-3
Medical Record Documentation 3-3
Payment in Full 3-4
Fee Schedule Requests 3-4
Provider Responsibilities 3-4
Verifying Recipient Eligibility 3-4
Billing the Recipient 3-4

Third Party Liability 3-5
Overpayments 3-5
Reporting Provider Changes 3-5
What Changes Must Be Reported 3-5
How to Report a Change 3-6
Voluntary Termination 3-6
Termination of Inactive Providers 3-6
Payment Suspension 3-6
Licensure Revocation or Suspension 3-7
Sanctions 3-7
Program Integrity Reviews 3-7
Determining Areas for Review 3-7
Provider Responsibilities in a Program Integrity Review 3-8
Request for Reconsideration 3-8
Self-Referral Federal Regulation 3-8
Advance Directives 3-9
Provider Information – Commonly Asked Questions 3-10
SECTION 4 Managed Care Provider Information 4-1
Community Care of North Carolina 4-1
CCNC – Carolina ACCESS 4-1
CCNC – ACCESS II/III 4-1
CCNC/CA Recipient Enrollment 4-2
Recipient Education 4-2
CCNC/CA Provider Participation 4-3
Requirements for Participation 4-3
Conditions of Participation 4-6
Exceptions 4-6
Sanctions 4-6
Sanction Appeals 4-7
Terminations 4-7
Carolina ACCESS Provider Reports 4-7
Enrollment Report 4-7
Emergency Room Management Report 4-8

Referral Report 4-8
Quarterly Utilization Report 4-8
Carolina ACCESS Provider Requirements 4-8
Health Check Services 4-8
Adult Preventive Annual Health Assessments 4-8
24-Hour Coverage Requirement 4-9
Standards of Appointment Availability 4-9
Standards for Office Wait Times 4-10
Hospital Admitting Privileges Requirement 4-10
Women, Infants, Children (WIC) Special Supplemental Nutrition Program Referrals 4-11
Transfer of Medical Records 4-11
Carolina ACCESS Medical Records Guidelines 4-11
Carolina ACCESS Referrals and Authorizations 4-12
Referrals for a Second Opinion 4-13
Referral Documentation 4-13
Exempt Services 4-13
Carolina ACCESS Override Requests 4-14
Medical Exemption Requests 4-15
Patient Disenrollment 4-15
HMO Risk Contracting 4-16
Carolina ACCESS – Commonly Asked Questions 4-16
List of Managed Care Consultants 4-28
SECTION 5 SUBMITTING CLAIMS TO MEDICAID 5-1
Time Limits for Filing Claims 5-1
Submitting Claims on Paper 5-1
Processing Paper Claims without a Signature 5-1
Submitting Claims Electronically 5-1
Billing on the CMS-1500 Claim Form 5-2
CMS-1500 Claim Form Instructions 5-2
Place of Service Code Index 5-6
Types of Service Index 5-9
Billing on the UB-92 Claim Form 5-9

UB-92 Claim Form Instructions 5-10

Billing on the ADA Claim Form 5-21

SECTION 6 PRIOR APPROVAL 6-1

Services Requiring Prior Approval 6-1

Important Points about Prior Approval 6-2

EPSDT General Information 6-4

EPSDT and Medicaid Services 6-4

EPSDT and Prior Approval 6-5

General Requests for Prior Approval 6-6

Denial of Prior Approval 6-7

Requests for Community Alternatives (CAP) Programs 6-7

Requests for Prior Approval of Out-of-State or State-to-State Ambulance Service 6-8

Requests for Prior Approval of Long-Term Care Services 6-8

Requests for Prior Approval of Services Provided to the Mentally Retarded 6-9

Requests for Approval of Optical Services (Routine Eye Exams and Refractions and Visual Aids) 6-9

Requests for Routine Eye Exams and Refractions 6-9

Requests for Prior Approval for Visual Aids 6-9

Requests for Prior Approval of Hearing Aids, Frequency Modulation (FM) Systems, and Accessories 6-9

Requests for Prior Approval of Dental Services 6-9

Requests for Prior Approval for Durable Medical Equipment and Orthotic and Prosthetic Devices 6-10

Enhanced Care (Adult Care Home Recipients) Approval Process 6-11

Adult Care Home Special Care Unit for Persons with Alzheimer's and Related Disorders (SCU-A) Approval Process 6-11

Hospice Participation 6-11

Utilization Review for Psychiatric Services 6-11

Prior Approval for Outpatient Specialized Therapies 6-12

Prior Approval for Certain Prescription Drugs 6-12

Procedures for Approval and Reimbursement of Transplants 6-13

PRIOR APPROVAL TABLE FOR CERTAIN MEDICAID SERVICES 6-15

LISTING OF EPSDT SERVICES FOUND IN THE 6-21

SOCIAL SECURITY ACT AT 1905(a) 6-21

NON-COVERED STATE MEDICAID PLAN SERVICES REQUEST FORM . 6-23

SECTION 7 THIRD PARTY INSURANCE 7-1

Medicaid Payment Guidelines for Third Party coverage 7-1

Services Provided to Medicare-Eligible Medicaid Recipients 7-1

Capitated Payments 7-1

Discounted Fee-for-Service Payments 7-2

Noncompliance Denials 7-2

Third Party Liability 7-2

Determining Third Party Liability 7-2

Time Limit Override on Third Party Insurance 7-3

Refunds to Medicaid 7-3

Personal Injury Cases 7-4

Tort (Personal Injury Liability) 7-4

Provider's Rights in a Personal Injury Case 7-4

Billing for Personal Injury Cases 7-4

Payment for Personal Injury Cases 7-5

Refunds and Recoupments for Personal Injury Cases 7-5

Third Party Liability – Commonly Asked Questions 7-6

Health Insurance Premium Payments 7-11

Payment of Health Insurance Premiums 7-11

Eligibility Determination 7-11

Eligibility Process 7-11

Where to Obtain Information 7-12

Medicaid Credit Balance Reporting 7-12

Completing and Submitting the Medicaid Credit Balance Report 7-12

SECTION 8 RESOLVING DENIED CLAIMS 8-1

Claim adjustments 8-1

Resubmission of a Denied Claim 8-1

Tip for Filing Adjustments 8-3

Submitting an Adjustment Electronically 8-4

Pharmacy Claim Adjustments 8-5

Instructions for Completing the Pharmacy Adjustment Request Form 8-5

EOB Denials that Do Not Require Filing an Adjustment 8-7

Resolution Inquiries 8-9
Time Limit Overrides 8-9
Instructions for Completing the Medicaid Resolution Inquiry Form 8-10
Recoupments 8-11
Automatic Recoupments 8-11
Provider Refunds 8-11
SECTION 9 REMITTANCE AND STATUS REPORT 9-1
What is the Remittance and Status Report? 9-1
Remittance and Status Report Sections and Subsections 9-1
Paid Claims 9-1
Adjusted Claims 9-1
Informational Adjustment Claims 9-2
Denied Claims 9-2
Claims in Process 9-2
Financial Items 9-2
Claims Summary 9-2
Claims Payment Summary 9-2
Financial Payer Code 9-2
New Totals Following the Current Claim Total Line 9-3
Summary Page 9-4
Remittance and Status Report Field Descriptions 9-4
Explanation of the Internal Claim Number 9-6
SECTION 10 ELECTRONIC COMMERCE SERVICES 10-1
What Services are Available 10-1
Electronic Claims Submission 10-1
Billing Claims Electronically 10-2
Value Added Networks 10-3
Interactive Recipient Eligibility Verification 10-3
Approved VAN Vendors 10-4
Important Telephone Numbers for Electronic Commerce Services 10-4
Electronic Funds Transfer 10-5
Electronic Commerce Services – Commonly Asked Questions 10-5
A. APPENDIX A A-1

AUTOMATED VOICE RESPONSE SYSTEM A-1

B. APPENDIX B B-1

Contacting EDS Telephone Instructions B-1

C. APPENDIX C C-1

CONTACTING MEDICAID C-1

EDS Address List C-8

DMA Address List C-9

D. APPENDIX D D-1

EDS PROVIDER SERVICES REPRESENTATIVES FOR PHYSICIANS D-1

EDS PROVIDER SERVICES REPRESENTATIVES FOR PHYSICIANS, continued . D-2

EDS PROVIDER SERVICES REPRESENTATIVES FOR PHYSICIANS, continued . D-3

EDS PROVIDER SERVICES REPRESENTATIVES FOR PHYSICIANS, continued . D-4

EDS PROVIDER SERVICES REPRESENTATIVES FOR HOSPITALS D-5

EDS PROVIDER SERVICES REPRESENTATIVES FOR HOSPITALS, continued ... D-6

EDS PROVIDER SERVICES REPRESENTATIVES FOR COMMUNITY CARE D-7

EDS PROVIDER SERVICES REPRESENTATIVES FOR COMMUNITY CARE, continued D-8

EDS PROVIDER SERVICES REPRESENTATIVES FOR NCECS WEB-TOOL D-9

EDS PROVIDER SERVICES REPRESENTATIVES FOR NCECS WEB-TOOL, continued D-10

E. APPENDIX E E-1

REQUESTING FORMS E-1

F. APPENDIX F F-1

TABLE OF ACRONYMS F-1

G. APPENDIX G G-1

SAMPLE OF FEE SCHEDULE REQUEST FORM G-3

SAMPLE MEDICAID PROVIDER CHANGE FORM G-4

SAMPLE OF CAROLINA ACCESS PROVIDER INFORMATION CHANGE FORM G-6

SAMPLE OF ADVANCE DIRECTIVES BROCHURE G-8

Sample of Health Check Agreement Between Primary Care Provider (PCP) and the Local Health Department G-10

Sample of Carolina ACCESS Hospital Admitting Agreement/Formal Arrangement G-12

SAMPE OF WIC EXCHANGE FOR INFORMATION FOR WOMEN G-14

SAMPE OF WIC EXCHANGE FOR INFORMATION FOR INFANTS AND CHILDREN (WITH INSTRUCTIONS) G-16

SAMPLE OF MEDICAL RECORD RELEASE FOR WIC REFERRAL G-18

SAMPLE OF CAROLINA ACCESS OVERRIDE REQUEST G-19

SAMPLE OF CAROLINA ACCESS MEDICAL EXEMPTION REQUEST (DMA-9002) G-20

SAMPLE OF CERTIFICATION OF SIGNATURE ON FILE G-21

SAMPLE OF MEDICARE CROSSOVER REFERENCE REQUEST G-22

SAMPLE OF SIX PRESCRIPTION LIMIT OVERRIDE (DMA-3098) G-23

SAMPLE OF HEALTH INSURANCE INFORMATION REFERRAL (DMA-2057) . G-24

SAMPLE OF INSTRUCTIONS THIRD PARTY RECOVERY (TPR) ACCIDENT INFORMATION REPORT (DMA-2043-I) G-25

SAMPLE OF G-26

SAMPLE OF MEDICAID CREDIT BALANCE REPORT G-27

SAMPLE MEDICAID ADJUSTMENT REQUEST G-29

SAMPLE OF PHARMACY ADJUSTMENT REQUEST G-30

SAMPLE OF MEDICAID RESOLUTIN INQUIRY G-31

SAMPLE OF ELECTRONIC FUNDS TRANSFER (EFT) AUTHORIZATION AGREEMENT G-32

INDEX ..... **i**