



STATE OF MICHIGAN

DEPARTMENT OF COMMUNITY HEALTH
LANSING

RICK SNYDER
GOVERNOR

OLGA DAZZO
DIRECTOR

January 2011

Dear CSHCS Provider:

Children's Special Health Care Services (CSHCS) is writing to inform providers about changes that will affect the processing of claims for clients who have CSHCS-only (those without Medicaid) coverage. These changes do not affect CSHCS-duals (those with Medicaid).

The Community Health Automated Medicaid Processing System (CHAMPS) claims processing subsystem will allow CSHCS to implement detailed provider editing for all providers who bill on the CMS 1500 professional claim format. **Professional claims submitted to the CHAMPS claims processing subsystem for CSHCS-only clients on or after April 1, 2011, will reject with B7 & N54 error codes if the appropriate provider is not authorized.** The definitions of the error codes are as follows:

- **Adjustment Reason Code B7 - Provider not certified/eligible**
- **Remittance Remark Code N54 - Claim inconsistent with authorized services**

The CSHCS program covers medically necessary services when the service is related to the client's CSHCS qualifying diagnosis. Additionally, the service must be ordered, prescribed, or rendered by a CSHCS provider that has been authorized on the client's CSHCS authorized provider list. CSHCS does not usually cover care provided or ordered by a primary care physician.

Physicians, dentists, audiologists and other practitioners who render care must be authorized to serve CSHCS clients. Not all providers must be authorized on the client's CSHCS authorized provider list (e.g. medical suppliers, hearing aid dealers, home health, etc.); however, **all ancillary services must be ordered or prescribed by a CSHCS authorized provider.** The NPI number of the ordering/prescribing provider must be entered in the appropriate field of the claim form. It is the servicing provider's responsibility to verify the authorization status of the ordering/prescribing provider.

Authorized provider information can be obtained from the Client Eligibility Notice (CEN). Providers should request that the client bring a copy of the CEN whenever a service is being requested. CSHCS authorization of an individual provider does not waive prior authorization (PA) requirements if the requested service requires PA.

To request that a provider be added to a client's CSHCS authorized provider list, the provider or family can contact the local health department in the client's county of residence. The request will be forwarded to a CSHCS medical consultant for a decision regarding medical appropriateness and relationship to the CSHCS qualifying diagnosis.

Complete information regarding provider authorization and verification can be found in the Medicaid Provider Manual, Children's Special Health Care Services Chapter, "CSHCS Authorized Providers" and "Verifying Provider Authorization" Sections. The Medicaid Provider Manual is available online at www.michigan.gov/medicaidproviders
>> Policy and Forms >> Medicaid Provider Manual.

If you have questions regarding this letter, please contact Provider Inquiry at 1-800-292-2550. Thank you for your continued service to CSHCS clients.

Sincerely,

Kathy Stiffler, Director
Children's Special Health Care Services