Policy, Recoupment & Coding

Everything you ever wanted to know about policy, but were afraid to ask!
Policy Updates

Recent Changes
- MSA 14–09 & 14–13 * Transportation Policy Clarification
- MSA 14–11 * Healthy Michigan Plan
- MSA 14–21 * Realignment of Michigan Department of Education SE–4094/State Plan Line Numbers

Possible Future Changes
- Major State Plan Amendment (SPA)
- Tele–Therapy
- Changes to SBS Section Regarding Audit and Recoupment
Recent Policy Changes

- MSA 14–09 & 14–13 * Transportation Policy Clarification
  - Effective: April 1, 2014
  - Allows for reimbursement of Taxicab and family vehicle transportation
    - Specialized transportation must be included in the IEP
    - Must be listed on the trip log
    - Must have a medical claim on the same day
    - Must have proper justification
      - Ongoing need – once per student, per school year
      - Occasional need – each trip, or trip period
  - Retroactive to July 1, 2012
Recent Policy Changes (Cont.)

- MSA 14–11 * Healthy Michigan Plan

  - Effective: April, 2014
  - Eligibility Criteria:
    - Are age 19–64 years (19–20 for SBS)
    - Have income at or below 133% of the federal poverty level under the Modified Adjusted Gross Income (MAGI) methodology (single person – $16,000, family of four – $33,000)
    - Do not qualify or are not enrolled in Medicare
    - Do not qualify or are not enrolled in other Medicaid programs
    - Are not pregnant at the time of application
    - Are residents of the State of Michigan
  - [http://www.michigan.gov/healthymiplan/](http://www.michigan.gov/healthymiplan/)
Recent Policy Changes

- MSA 14–21 * Realignment of Michigan Department of Education SE–4094/State Plan Line Numbers

  - Issued: May 29, 2014
  - Realigns lines on the Medicaid Allowable Expenditures Report (MAER) to the current SE–4094
  - Allows for the reimbursement of bus aides
    - “Bus Aides” are aides that are on the bus to address specific IEP concerns
  - Applies to all costs incurred on or after July 1, 2010
Possible Future Policy Changes (Cont.)

- Tele-Therapy
  - Pros:
    - Makes providing services easier and more cost effective in some instances
    - Currently in use in a handful of states
  - Cons:
    - Currently not approved by the Centers for Medicare & Medicaid Services (CMS) for SBS providers
    - Regulatory & licensing questions
  - Timeline: Possible only after all questions about providing tele-therapy are answered. Currently scheduled to meet with other states that allow tele-therapy during the September 2014 NAME Conference
Possible Future Policy Changes

- Major State Plan Amendment (SPA)
  - Reasons:
    - Experience
    - Establish consistency
    - Align policy with procedures
  - What is the level of concern?
    - Current information: Minimal
    - State Plan Amendment Process: Minimal
  - Timeline: After the current Office of the Inspector General (OIG) audit is complete.
Possible Future Policy Changes (Cont.)

- Changes to SBS Section of the Policy Manual Regarding Audit and Recoupment
  - Policy is currently in multiple locations and very general in nature
  - Changes will be SBS specific and located in the SBS section of the Medicaid Provider Manual
Audit Recoupment

- All ISDs Will be Audited
- Types of Findings
  - MAER & Quarterly Financial Statement Errors
  - Student Claims Errors
- Monetary Results of Findings
  - Non-material findings = no action required
  - Material financial errors = MAER is revised by the ISD
  - Material student Claims errors
    - <=15% – no action taken
    - >15% – MDCH initiates recoupment actions
Recoupment Computation

- The ISD’s reimbursement claim is reduced by the error percentage greater than the allowable 15%

- Logic: If the claim error rate is 15%, it stands to reason that 15% of the expenses are also reported in error

- Why 15%? 15% percent is the statewide average claim error rate for all provider types.
Recoupment Example

- ISD total reimbursement for the year is $1,000,000 and the ISD has been paid the entire $1,000,000
  - Student Claim Error Rate = 11%
    - There is no recoupment because error rate is below the threshold
  - Student Claim Error Rate = 17%
    - Recoupment is $20,000 because error rate is 2% greater than 15% threshold
      ($1,000,000 * 2% = $20,000)

Recouped Amounts will be offset by future payments
Reasons for Recoupment

- Promote Program Integrity
  - CMS requires MDCH oversight of the SBS program

- Avoid Harsher Recoupment & Budgeting Procedures from other Agencies
  - Retention of funds from all ISD settlements to offset possible future audit findings
  - Recoupment of the entire error percentage
  - Mass statewide recovery based on external audit findings
How to look up procedure codes & modifiers.

Presented by Lori Pontius, RHIA
Level I (CPT)

- What are Level I codes
  - Codes are numeric
  - Used to report services and procedures performed on patients (students)
  - American Medical Association (AMA)

- The book is broken out into three category codes
Level I (CPT)

- Category I
  - Six main Sections
  - Evaluation and Management
    - 99366–99368 Medical Team Conferences
  - Medicine
    - 90785–90899 Psychiatry
    - 92502–92700 Special Otorhinolaryngologic Services
    - 96101–96125 Central Nervous System Assessments/Tests
    - 97001–97799 Physical Medicine and Rehabilitation
Level I (CPT)

- Category II
  - Performance Measurement
  - Ends in an “F”

- Category III
  - Emerging Technology
  - Ends in a “T”

- Appendix A–O
  - A=Modifiers
  - B=Additions, Deletions and Revisions
    • Within the last year
Level I (CPT)

- Index
  - Main Term
    - Alphabetical, Boldface type
    - Anatomical, Procedure, Eponym, Condition, Synonyms
  - Modifying Terms
    - May be followed by up to three indented terms
  - Code Ranges
    - Sequential codes separated by hyphen
    - Non-sequential codes separated by a comma
Level I (CPT)

- Look up the procedure code(s) in the tabular listing
  - If a code range is listed, review all code narratives within that range for specificity

- Symbols
  - Listed along bottom of page to provide clarification

- Semicolon
  - Code with indentation will include prior code description up to the semicolon.
CPT EXAMPLE 1

- Developmental Screen

  - Sclerotomy
    - See Incision Sclera
  - Screening Drug
    - See Drug Screen
    - Alcohol and/or Substance Abuse....99408–99409
  - Scribner Cannulization....99408–99409

- Developmental Testing...........96110–96111
CPT Example 1

- 96110  Developmental screening, with interpretation and report, per standardized instrument form
- 96111  Developmental testing, (includes assessment of motor, language, social, adaptive, and/or cognitive functioning by standardized developmental instruments) with interpretation and report
CPT Example 2

- Pure tone audiometry using air and bone

  - **Audiometry**
    - Pure Tone ..................... 92552–92553
    - Automated ..................... 0208T–0209T

- 92552    Pure tone audiometry; air only
- 92553    air and bone
CPT Example 3

- Pt Evaluation
  - Evaluation and Management
    - No Physical Therapy found
    - Occupational Therapy Evaluation.........97003
  - 97001  Physical therapy evaluation
  - 97002  Physical therapy re-evaluation
  - 97003  Occupational therapy evaluation
    - Physical Medicine/Therapy/Occupational Therapy
      - Evaluation
        - Physical Therapy...............97001–97002
What are Level II codes

- Codes are alphanumeric and include non-physician services, items and supplies.
- Not covered by CPT codes (Level I).
- US Centers for Medicare and Medicaid Services (CMS)
HCPCS Level II

- Updates
  - Codes and Modifiers
    - Within the last year
- Indicators
- Anatomy
  - Illustrations
- Index
  - Type of service or product
HCPCS Level II

- Table of Drugs
  - Chemotherapy and Non-chemotherapy
- Modifiers
- Appendix A
  - Coding policies for National Correct Coding Initiative (NCCI) Policy Manual for Medicare Services
HCPCS Level II

- **Index**
  - Main Term
    - Alphabetical, Boldface type

- **Locate the procedure code(s) in the alphanumeric list**
  - If a code range is listed, review all code narratives within that range for specificity

- **Symbols**
  - Listed along bottom of page to provide clarification
HCPCS Level II

- 17 alpha-numeric sections.
  - A-codes: Transportation
  - G-codes: Temporary Procedures & Professional Services
  - H-codes: Behavioral Health and/or Substance Abuse Treatment Services
  - S-codes: Private Payer Codes
  - T-codes: State Medicaid Agency Codes
  - V-codes: Vision
HCPCS Example 1

- **Miscellaneous Vision Service**
  - *Vision service, V2020–V2799*

- **VISION SERVICES (V0000–V2999)**
  - Miscellaneous
    - V2799 Vision service, miscellaneous
HCPCS Example 2

- **Nonemergency wheelchair van**
  - **Transportation**
    - Non emergency, A0080–A0210, T2001–T2005
  - A0120 Non–emergency transportation: mini-bus, mountain area transports, or other transportation systems
  - A0130 Non–emergency transportation: wheelchair van
  - A0140 Non–emergency transportation and air travel (private or commercial), intra or inter state
    - **Wheelchair**
      - Van, non–emergency, A0130
HCPCS Example 3

- Alcohol and/or drug counseling and therapy
  - Counseling
    - There are none
  - Therapy
    - There are none

- Alcohol/substance, assessment, G0396, G0397, H0001, H0003, H0049
HCPCS Example 3

- H0003 Alcohol and/or drug screening; laboratory analysis of specimens for presence of alcohol and/or drugs
- H0004 Behavioral health counseling and therapy, per 15 minutes
- H0005 Alcohol and/or drug services; group counseling by a clinician

- Behavioral, health, treatment services, H0002–H2037
Modifiers

- CPT
  - Numeric
  - Reimbursement
    - 52 = Reduced Services
      - Partially reduced or eliminated
    - 59 = Distinct Procedural Service
      - Distinct or independent
Modifiers

HCPCS

- Alphabetic
- Alpha-numeric
- Informational
  - GN=Speech Language Services
  - GO=Occupational services
  - GP=Physical Therapy Services
  - HT=Multi-disciplinary Team
  - SZ=Habilitative Services
  - TM=Individualized Education Program
  - TL=Early Intervention IFSP
NCCI Edits

- National Correct Coding Initiative
- NCCI edits are pairs of CPT or HCPCS Level II codes that are not separately payable, except under certain circumstances with use of a modifier.
- The edits are applied to services billed by the same provider for the same beneficiary on the same date of service.
- Prevent improper payment when incorrect combinations are reported.
NCCI Example

- 92522 Evaluation of speech sound production;
- 92523 with evaluation of language comprehension and expression
- Modifier of 0.
  - There is NO instance where these two procedures may be billed together as 92523 is included in 92522.
QUESTIONS?
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