

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/>

Recent Policy Changes (Cont.)

- ▶ **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
 - $\leq 15\%$ – 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

HCPCS LEVEL I & II CODING

How to look up procedure codes & modifiers.

Presented by Lori Pontius, RHIA

Level I (CPT)

- ▶ What are Level I codes
 - Current Procedural Terminology (CPT)
 - 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 indention 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

HCPCS Level II

- ▶ 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: wheel chair 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
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- 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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