MSA MEDICAL SERVICES ADMINISTRATION

Bulletin

Michigan Department of Community Health

Distribution: All Provider 04-04

Issued: April 2004

Subject: Updates to the Medicaid Provider Manual

Effective: Upon Receipt

Programs Affected: Medicaid, Children's Special Health Care Services, Adult Benefits Waiver I, MOMS

The MDCH has completed the April 2004 update of the online Medicaid Provider Manual. The tables attached to this bulletin describe the changes made, the location of the changes within the manual and, when appropriate, the reason for the change.

The first table describes technical updates and clarifications made to the manual. These changes have been made to incorporate previously published information inadvertently omitted when the electronic manual was created, as well as clarifications resulting from comments/questions received from providers. The technical updates and clarifications appear in yellow in the online manual.

The second table describes changes made to incorporate information from recently issued Medicaid Bulletins. These changes appear in blue in the online Manual.

If changes were made in a chapter, a note will appear in the affected section/subsection title of that chapter's table of contents.

When utilizing the compact disc (CD) version of the manual, refer to this bulletin in addition to the CD to assure you have the most current policy information available.

Manual Maintenance

If using the CD version of the Medicaid Provider Manual, retain this bulletin and those referenced in this bulletin for future reference. If you utilize the online version of the manual at www.michigan.gov/mdch, this bulletin and those referenced in this bulletin may be discarded.

Questions

If you have questions about the manual, or problems locating information, you may contact Provider Inquiry at 1-800-292-2550 or providersupport@michigan.gov . If you submit an e-mail, be sure to include your name, affiliation, and a phone number so you may be contacted if necessary.

Approved

Paul Reinhart, Director
Medical Services Administration

Michigan Department of Community Health

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April 2004 Updates

TECHNICAL CHANGES*

CHAPTER	SECTION	CHANGE	COMMENT
Overview	Section 1 - Introduction	Section was divided into two subsections with the following information added: Section 1.1 Organization Added PT 22 to list of providers affected by Hospital Chapter. Section 1.2 Printing (new subsection) MDCH will not provide a printed copy of the Provider Manual but will provide the information via compact disc (CD) to all enrolled providers and subscribers on an annual basis. (Refer to the Manual Updates Section of this chapter for additional information.) Should the user elect to print portions of the manual for his use, please note the following: • The version date is noted at the bottom of each page on the left hand side. When researching policy, it is imperative that the most current version be used. • The page number at the bottom right hand side of each page represents the page number within that chapter, not within the whole document. • The name of the chapter is on the bottom of each page. • It is recommended that any printing be done in black and white, not color as printing in color can be very expensive. The features on each page are adequately effective in black and white.	Reference inadvertently omitted from manual

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TECHNICAL CHANGES*

CHAPTER	SECTION	CHANGE	COMMENT
	Section 2 - Navigation	2.2 Search Capabilities Additional information regarding the search features of the Manual was added. The subsection now reads: "Users can also access the powerful online search capabilities of Adobe Acrobat to quickly locate information within the manual. There are two search methods: • Click on Edit, Find on the tool bar and enter a keyword in the Find dialog box, or • Click on the Binoculars on the toolbar and enter a keyword in the dialog box. Always use the most specific term or acronym for the search, rather than a general term. (Refer to the Acronym Appendix for a list of all those used in the manual.) Start the search on the first page of the manual to assure that all relevant information is located. In order to locate all of the information pertinent to a subject, search by the acronym if the word or term has one."	
Billing & Reimbursement for Dental Providers	New Section 5, Special Billing Instructions (Subsequent Sections Renumbered)	Text of new Section: "Providers must bill D7999 (unspecified oral surgery by report code) for supernumerary teeth. This code can only be used once per claim. The extraction procedure performed (STI, PBI, CBI) and the location in the mouth must be included in the Remarks field. If there is more than one supernumerary tooth, the quantity extracted must also be included. The total fee should reflect the number of extractions completed. The claim will pend for review. Payment will be based on the type of extraction performed."	
Billing & Reimbursement for Institutional Providers	Section 6 – Hospital Claim Completion - Outpatient	6.16 ED Services Bullet added to reinstate the following instruction: "Revenue Code 0450, or combination of 0451 and 0452, will not be separately reimbursed in conjunction with the Revenue Code and Reimbursement Group E (RC 0360, 0369, 0481) on the same visit."	Information originally transmitted in MSA 03-14, inadvertently omitted from chapter

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CHAPTER	SECTION	CHANGE	COMMENT
	Section 6 – Hospital Claim Completion – Outpatient	6.20 Hysterectomy Bullet added: "When billing for a beneficiary that was sterile prior to the hysterectomy, the Acknowledgement of Receipt of Hysterectomy Information form is not required. Remarks field of the claim must indicate "Beneficiary sterile prior to hysterectomy", along with the cause/procedure that rendered her sterile."	Clarification
	Section 10 – Private Duty Nursing Agency Claim Completion	The acronym PDN was added to enhance search results.	
Billing & Reimbursement for Professionals	Section 6.14 Private Duty Nursing	The acronym PDN was added to enhance search results.	
Dental	Procedure Code Appendix	Description of D1120 changed to read "Prophylaxis-Child (under age 14)"	Correct error in definition
		An "X" was added in the box for age 21 and over for D7999. **This change corrects a previous omission. It does not indicate that coverage has been reinstated for beneficiaries age 21 and over.**	Correct previous omission
Hospital	Section 1 – General Information	1.6.H. Outpatient and Emergency Services Provided on Date of an Inpatient Hospital Admission The first sentence of the subsection was reworded for clarification and now reads: "Outpatient surgical and ED services provided at the same hospital resulting in an inpatient admission must be included as a part of the inpatient stay and are reimbursed as part of the DRG payment."	Clarification
	Section 5 – Utilization Review	5.10 Discharge Planning Following statement added following the first paragraph in the Nursing Facility portion of the table: "Medicaid's reimbursement (per diem rate) to a nursing facility includes non-emergency transport of beneficiaries being admitted to a nursing facility from the hospital setting."	Information currently appears in NF Chapter III. Added to Hospital Chapter to avoid confusion.

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CHAPTER	SECTION	CHANGE	COMMENT
Medical Supplier	Section 2 – Coverage Conditions and Requirements	2.1 Apnea Monitor The 4th bullet of the Prior Authorization portion of the table was amended to read as follows: • Used up to three months as a diagnostic tool for the following diagnoses or medical conditions: ➢ Apnea of newborn ➢ Apnea of prematurity ➢ Apparent life threatening event (ALTE) ➢ Sibling of Sudden Infant Death Syndrome (SIDS) ➢ Bronchopulmonary Dysplasia	Information inadvertently omitted from manual
		2.2 Bi-Level Positive Airway Pressure Device "Humidifier" has been removed from the examples listed in the 1st bullet under the Payment Rules portion of the table.	
		2.3 Blood Glucose Monitoring Equipment and Supplies "Abnormal Glucose Tolerance (Gestational Diabetes Only)" was added as the last bullet in the list of diagnoses not requiring PA under the PA Requirements portion of the table.	Information inadvertently omitted from manual
		2.10 Continuous Positive Airway Pressure (CPAP) Device "Humidifier" has been removed from the examples listed in the 1st bullet under the Payment Rules portion of the table.	
		2.37 Prosthetics (Lower Extremities) The following was added as a 3rd bullet under Above Knee Prosthesis in the Prior Authorization portion of the table: "PA is not required for an endoskeletal above knee definitive prosthesis when the Standards of Coverage are met and it consists of a base code and the following add-ons: up to two test sockets, foot, insert, socket material, socket design, and/or suspension system. Socks and sheaths are not considered as add-ons and would be considered in addition to the other items."	Information inadvertently omitted from manual
		2.47 Wheelchairs, Pediatric Mobility Items, and Seating Systems "Muscular dystrophies and other myopathies" was added as the last bullet in the list of diagnoses not requiring PA under the PA Requirements portion of the table.	Information inadvertently omitted from manual

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Pharmacy	Section 1 – General Information	1.8 Intermediate Care Facility for the Mentally Retarded (ICF/MR) was added with the following text: "Beneficiaries residing in an Intermediate Care Facility for the Mentally Retarded (ICF/MR) are identified by a level of care 08. All services, including pharmacy, are part of the ICF/MR per diem rate. Pharmacies will not be reimbursed by the MDCH for products provided to ICF/MR residents."	Information currently in NF Manual; also needed by pharmacy
	Section 15 – Nursing Facility	15.1 Level of Care References to level of care 08 and 16 were deleted from the table as they do not apply. Reference to level of care 55 was added with the following definition: "The need for nursing facility care has been disapproved by the agency responsible for certifying the need for nursing care." 15.2 Unit Dose Policy References to level of care 08 and 16 were deleted from the 4th bullet. Reference to level of care 55 was added.	
Practitioner	Section 4.13, Injectable Drugs and Biologicals	Section was divided into three subsections: 4.13.A. Coverage of the Injectable 4.13.B. Administration of the Injectable 4.13.C. Injectables Administered Through PIHP/CMHSP for MHP Enrollees **4.13.A.** Coverage of the Injectable "When administering a dose drawn from a multidose vial, only the amount administered to the beneficiary is covered. If a drug is only available in a single use vial and any drug not administered must be discarded, the amount of the drug contained in the vial is covered."	4.13.A. addition from previously promulgated policy inadvertently omitted in chapter update.

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CHAPTER	SECTION	CHANGE	COMMENT
		4.13.B. Administration of the Injectable "Payment for administration of injectables provided through a PIHP/CMHSP clinic or affiliated physician practice is included in the capitation rate to the PIHP/CMHSP and is not separately reimbursable to the physician. Injections in the office/clinic/beneficiary's home may be administered by appropriate non-physician staff who are employed by the physician or are employed by the same clinic/group as the physician. Administration of the injectable drug by non-physician staff must be under the physician's personal supervision or under the delegation and supervision of the physician, as required by the Public Health Code. Providers should refer to the Coordination of Benefits Chapter of this manual for additional requirements that apply when a beneficiary has Medicare or commercial insurance coverage."	4.13.B. and 4.13.C. additions from Medicaid Bulletin MSA 03-08 which were inadvertently omitted from the January 2004 version of the Manual.
		4.13.C. Injectables Administered Through PIHP/CMHSP for MHP Enrollees "Specific injectable drugs administered through a PIHP/CMHSP clinic to Medicaid Health Plan (MHP) enrollees are reimbursable by the MDCH on a fee-for-service basis when meeting the following criteria: • The beneficiary has an open case with the PIHP/CMHSP, and • The beneficiary receives the injections on a scheduled or routine basis as part of the PIHP/CMHSP treatment/supports regimen, and • The PIHP/CMHSP physician has determined that the beneficiary may not comply with the medication regimen if the injections were not administered through the PIHP/CMHSP clinic and that this noncompliance could adversely affect the beneficiary, and • The PIHP/CMHSP clinic notifies the beneficiary's MHP or primary care physician that this service is being rendered, and • The injectable drug is listed on the MH/SA (PIHP/CMHSP/Children's Waiver) Injectable Drugs Billable to MDCH database. The list of the specific drugs covered under this policy is maintained on the MDCH website. (Refer to the Directory Appendix for website information.) The list may be modified as new drugs are approved for Medicaid coverage. No notice of changes to the list will be issued directly to providers.	

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		The specific injectable drugs are only covered by MDCH through fee-for-service if provided by a physician as part of his affiliation with a PIHP/CMHSP, and must be billed using the Medicaid Provider ID number(s) associated with the PIHP/CMHSP. Payments made to physicians for injectable drugs administered to beneficiaries enrolled in a MHP that are billed under a physician's Medicaid ID number not associated with a PIHP/CMHSP physician group are subject to recovery. Physicians not affiliated with a PIHP/CMHSP physician group practice must not bill MDCH for injectables provided to MHP enrollees. All covered injectable drugs (including those addressed in this subsection) administered to Medicaid fee-for-service beneficiaries through the PIHP/CMHSP clinics continue to be covered by MDCH under the PIHP/CMHSP physician's Medicaid ID number(s) associated with the PIHP/CMHSP physician group(s)."	
School Based Services (Fee-For-Service)	Section 2 – Covered Services, Procedure Code Appendix	Procedure Code Appendix was deleted from the Manual. Procedure codes have been incorporated into the appropriate coverage subsections (2.2, 2.3, 2.4, 2.6, 2.8, 2.9).	
Acronym Appendix	ABR	Definition corrected to read "Auditory" Brainstem Response	
	ESR	Definition corrected to read "Erythrocyte" Sedimentation Rate	
	PT	Additional definition "Provider Type" added	
Directory Appendix	MDCH Procedure Code Databases/Fee Screens	Website information updated. www.michigan.gov/mdch, click on Providers, Information for Medicaid Providers, Provider Specific Information	
	Draft Medicaid Policy	Website information updated. www.michigan.gov/mdch, click on Providers, Information for Medicaid Providers, Proposed Medicaid Changes	

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CHAPTER	SECTION	CHANGE	COMMENT
	Medicaid Publications	Website added. www.michigan.gov/mdch, click on Providers, Information for Medicaid Providers, Ordering Publications	
	Nursing Facility Best Practices	Website information updated. www.michigan.gov/mdch, click on Health Systems & Licensing, Health Care Facilities, Nursing Homes, Hospitals, & Long Term Care Facilities	
	Nurse Aide Customer Service	Website information updated. www.michigan.gov/mdch, click on Health Systems & Licensing, Licensing for Health Care Professionals, Nurse Aide	
	Nurse Aide Registry	Website information updated. www.michigan.gov/mdch, click on Health Systems & Licensing, Licensing for Health Care Professionals, Nurse Aide	
Forms Appendix		New copy of MSA-1653C (ACD evaluation form)	Corrected formatting/printing problems
		New copy of MSA-2565 (facility admission notice)	Corrected formatting/printing problems
		New copy of MSA-115 (therapies PA form)	Corrected formatting/printing problems
		Instructions for the MSA-115 (therapies PA form) added	Inadvertently omitted from January version.
		New copy of DCH-3878 (MI-DD exception criteria certification)	Corrected formatting/printing problems
		New copy of DCH-3877 (PASARR form)	Corrected formatting/printing problems
		Added copy of Sample Notice of Noncoverage Letter (referenced in Hospital Chapter Section 5.11 Termination of Benefits)	Inadvertently omitted from January version.

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BULLETINS INCORPORATED*

BULLETIN NUMBER	DATE ISSUED	CHAPTER	SECTION	CHANGE
CMHSP 04-01	3/29/04	Mental Health-Substance Abuse	Sections 1.6, 1.7, 2.3, 2.4, 3.2, 3.14, 3.17, 3.19, 4, 6.2, 7.1, 7.2, 8.4, 9.4, 13, 14.2, and 14.3	Amended Chapter to reflect numerous technical changes and inadvertent omissions of previously published policy. The Children's Waiver Community Living Support Services Appendix was added to provide information previously issued in CMHSP 98-01.
School Based Services 04-01	3/1/04	School Based Services (Fee-For-Service)	Sections 2.2, 2.3, 2.4, 2.6, 2.8, 2.9, and the Procedure Code Appendix	Additional procedure codes and clarifications have been approved for use. The Procedure Code Appendix has been deleted and all approved codes/modifiers incorporated into the Chapter.
MSA 04-03	3/1/04	Billing & Reimbursement for Professionals	Section 6 – Special Billing 6.8 Evaluation & Management Services Section 7 – Modifiers 7.7 Evaluation & Management Services	Added billing instructions required for attending physicians to receive the Emergency Department case rate based on whether the beneficiary was treated and released or treated and admitted/transferred to the inpatient hospital.
MSA 04-02	3/1/04	Hospital Reimbursement Appendix	Section 2 - Inpatient 2.6 Episode File 2.9.A. Freestanding Rehabilitation Hospitals/Distinct Part Rehabilitation Units	MDCH will not use hospital geographic reclassifications made under Section 508 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 to calculate the Medicaid area wage index. Other information contained in this bulletin is available on the MDCH website at www.michigan.gov/mdch , click on Providers, Information for Medicaid Providers, Provider Specific Information.
MSA 04-01	2/13/04	Private Duty Nursing; Hospital; Forms Appendix	PDN 1.3 Prior Authorization Hospital 5.10 Discharge Planning	Prior Authorization form (MSA-0732) required when requesting private duty nursing for persons with CSHCS or Medicaid coverage. MSA-0732 and instructions added to Forms Appendix.
Medical Suppliers 03-02	9/1/03	Medical Suppliers	1.7.G. Reimbursement Amounts	Reduction of fee rates higher than Medicare.

*Bulletin inclusion updates are color-coded to in the quarter in which the update was made (April 1 = Blue; July 1 = Pink; October 1 = Green; January 1 = Orange)