

## **Progress on Uniform Billing**

Section 1612(1) of PA 60 of 2001 requires the development of a uniform Medicaid billing form in consultation with affected Medicaid providers. It also requires the department to report to the house and senate appropriations subcommittees on the progress of this initiative.

The Department of Community Health (DCH) is adopting the national standard claim formats currently in place--the HCFA 1500 and the ASC X12N 837P for professional claims, the UB-92 and the ASC X12N 837I for facility claims, and the ADA Dental and ASC X12N 837D for dental claims. Necessary changes in code sets, coverage policies, billing methodologies, and claim submission instructions are shared, through a public comment process, with providers prior to implementation. The health plans and CMHSPs are required to follow the same implementation schedule as the Department of Community Health.

The UB-92 is in use for inpatient and outpatient hospitals. Home health, and hospice providers converted to the UB-92 and ASC X12N 837I claim formats effective 2/1/02. Policy bulletins and updated manual pages regarding these changes have been issued. Changes for Nursing Facilities, which will be effective 10/1/02, are also being finalized. DCH staff have worked with the State Uniform Billing Committee to assure UB-92 completion instructions are standard with other health care insurers.

The ADA Dental scannable paper claim form has been implemented. The completion instructions are standard with other dental insurers. The ASC X12N 837D electronic claim format will be implemented 10/1/02.

The first phase transition to the HCFA 1500 paper claim form and the ASC X12 837 electronic claim format was successfully implemented on schedule 8/1/01. Included in this phase were physicians, advanced practice nurse, podiatrists, vision providers, chiropractors, ambulance providers, clinical laboratories, family planning clinics, medical clinics, MSS/ISS providers, and school based services providers. Phase II, which includes all ambulatory providers not part of Phase I was implemented on schedule 2/1/02. Policy bulletins and manual page updates regarding changes for these providers have been issued.

To assist providers and their billing staff in understanding the changes being implemented, the Department, in coordination with the Michigan Virtual University (MVU), developed free on-line training modules for completing the HCFA 1500 and UB-92 claim forms. The courses have been very well received and have become the basis for community and professional association based training sessions for those who preferred face-to-face training sessions.

Providers and billing agents have also been encouraged to submit test claims to the Department prior to the implementation dates of the changes. Test claims are processed through the claims payment system to detect syntax and claim completion errors. The results of the tests are then communicated to the submitter. This process has been very helpful in avoiding payment delays when the changes were implemented. Testing for Nurse Facilities began in August.

The implementation date for the HIPAA medical claim transactions and code sets requirements has been extended to October 2003. The Department is developing a comprehensive implementation plan to assure compliance by that date. It is also working cooperatively with other major health insurers in Michigan to coordinate the implementation of changes.