

Bulletin Number: MSA 07-13

Distribution: Hospitals, Nursing Facilities, Home Health Agencies, Hospice, Outpatient Therapy Providers, Private Duty Nursing Agencies

Issued: March 1, 2007

Subject: MDCH Claim Editing For Type of Bill Codes, Implementation of the UB 04, MDCH Clarification of UB 04 Data Elements (Including NPI), Guidelines for Submitting Paper Test Claims, and Revisions to the Billing and Reimbursement for Institutional Providers Chapter

Effective: As Indicated

Programs Affected: Medicaid, Children's Special Health Care Services (CSHCS), and Adult Benefits Waiver (ABW)

MDCH Claim Editing for Type of Bill Code

Effective April 1, 2007, all institutional claims (both electronic and paper) reporting invalid type of bill (TOB) codes will be denied for payment.

For paper claims forms, the National Uniform Billing Committee (NUBC) instructions require a four-digit TOB code to be reported with a leading zero in Form Locator 04. Based on the electronic 837 4010A1 Implementation Guide, a three-digit TOB code must be reported within the 2300 loop/CLM05 segment. No leading zero must be reported on electronic claims.

Implementation of the UB 04 Paper Claim Form

Effective May 23, 2007, the Michigan Department of Community Health (MDCH) will convert to the UB 04 paper claim form based on date of submission. Any UB 92 claim forms received on or after this date will not be accepted. The NUBC adopted this new uniform paper claim form to accommodate the reporting of the National Provider Identifier (NPI). The NPI is a requirement for MDCH claim submission as of May 23, 2007. The Medical Services Administration (MSA) Bulletin 06-73, released on October 16, 2006, presents more details regarding the NPI transition plans for Medicaid Fee for Service (FFS) providers.

The new UB 04 claim form, with the approved CMS OMB number in the bottom left-hand corner, is posted on the NUBC website at www.nubc.org. The NUBC has also published a UB-92 to UB 04 Crosswalk that recognizes the different data element reporting instructions between the two claim formats. Please refer to the NUBC website for obtaining the crosswalk or for more information on purchasing the new claim forms.

MDCH Clarification of UB 04 Data Elements

The NUBC standard completion instructions within the UB 04 Data Specifications Manual must be followed for claims submitted to MDCH. As of May 23, 2007, the NPI is required to be reported in all applicable provider fields. The Medicaid legacy provider ID number is not needed.

The following UB 04 data elements are being clarified for MDCH claim adjudication:

Type of Bill

The Type of Bill code has been expanded to allow all four digits to be reported on the paper claim form. The first digit is a leading zero. For MDCH, the national standard four-digit TOB code must be reported.

Revenue Code, Revenue Description, HCPCS/Rates/HIPPS Rate Codes

The information contained in the 23rd line will be used by MDCH to process multi-page claims. Complete the 23rd line according to the NUBC standard instructions.

Health Plan Identification Number

Follow the NUBC instructions for reporting the Health Plan identification number on the UB 04. Continue to report the existing codes (e.g. "C" payer code for Medicare) as instructed by MDCH.

National Provider Identifier – Billing Provider

For MDCH, the Billing Provider NPI is required on and after May 23, 2007.

Other Provider Identifier

The Medicaid legacy provider ID number is not needed on or after May 23, 2007.

Attending Provider Name and Identifiers

For MDCH, the attending provider NPI must be reported on and after May 23, 2007. If unknown, report qualifier 0B with the Medicaid legacy provider 7-digit ID number.

Operating Physician Name and Identifiers

If the operating physician identifier is applicable to complete, the NPI must be reported on and after May 23, 2007. If unknown, report qualifier 0B with the Medicaid legacy provider 7-digit ID number.

Other Provider Name and Identifiers

If the other provider name and identifier is applicable to complete, the NPI must be reported on and after May 23, 2007. If unknown, report qualifier 0B with the Medicaid legacy provider 7-digit ID number.

Code–Code Field

MDCH recommends institutional providers that have only a single NPI for their primary facility and its subparts to report a taxonomy code for proper claim adjudication (e.g. inpatient hospital claims with rehabilitation units). Report the "B3" qualifier followed by the ten-digit taxonomy code.

Reporting of the NDC Code

The current UB 04 standard instructions do not address the reporting of the National Drug Code (NDC) for physician administered drugs, required for the drug rebate program. Once the Medicaid Prescription Drugs Proposed Rule (CMS 2238-P) and related NUBC instructions become finalized, providers will be informed of upcoming NDC reporting requirements.

Guidelines for Submitting Paper Test Claims

To ensure proper scanning and adjudication by MDCH, providers are encouraged to submit paper test claims to the Computer Operations staff. UB 04 test claims must be printed on a red-ink form with the Approved OMB number of 0938-0997 in the lower left corner. Use of forms other than the red-ink version will result in errors when they are scanned by the Optical Character Reader (OCR). Refer to the Billing and Reimbursement for Institutional Providers Chapter of the Medicaid Provider Manual for complete instructions on preparation of a paper claim form.

A minimum of 10 test claims should be submitted to:

Medicaid Payment Division
Attn: UB 04 Test Claims
320 South Walnut Street
Lansing, Michigan 48913

Note: Test claims are not processed for payment but are used only to verify correct processing of a provider's claim forms.

Revision to the Billing and Reimbursement for Institutional Providers Chapter

The Billing and Reimbursement for Institutional Providers Chapter of the Medicaid Provider Manual will be revised to incorporate the UB 04 requirements during the July Quarterly 2007 Update.

Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved



Paul Reinhart, Director
Medical Services Administration