

## Michigan Department of Community Health

**Distribution:** Hearing Aid Dealers 02-01  
Hearing and Speech Centers 02-01

**Issued:** January 1, 2002

**Subject:** Uniform Billing

**Effective:** February 1, 2002

**Programs Affected:** Medicaid, Children's Special Health Care Services

Effective February 1, 2002, the Michigan Department of Community Health (MDCH) is implementing changes in coverage, reimbursement policies, and claim submission requirements for ancillary services providers. These changes will help align MDCH requirements with those of other major health insurers and are a step toward HIPAA (Health Insurance Portability and Accountability Act of 1996) compliance.

This bulletin contains information about specific changes for hearing aid dealers and hearing and speech centers and must be used in conjunction with the Chapter IV distributed by Medicaid bulletin MSA 01-23.

Copies of all policy bulletins, the electronic claim transaction set, and other information related to changes being made are available on the MDCH website at [www.mdch.state.mi.us](http://www.mdch.state.mi.us) (click on Medical Services Administration, Information for Medicaid Providers).

The following changes will be implemented February 1, 2002:

- Claims must be submitted using the National Electronic Data Interchange Transaction Set Health Care Claim: Professional 837 (ASC X12N 837, version 3051 or Michigan Medicaid Interim version 4010) for electronic submission; or HCFA 1500 (12-90) for paper claim submission. **NOTE:** Providers will no longer be able to bill using magnetic tape.
- Diagnosis coding is required, using the International Classification of Diseases, Ninth Revision, Clinical Modification (ICD-9-CM) based on the code reflecting the greatest specificity for the diagnosis related to service billed. For claim level diagnosis coding, up to four ICD-9-CM codes may be entered on the paper form, and up to eight ICD-9-CM codes may be entered using the electronic format.

- The nine-digit prior approval number is reported in item 23. **NOTE:** Prior approval is not required IF other insurance covers the service. Medicaid's only liability is the coinsurance, copayment, or deductible amounts up to our maximum allowable amount, or if another payer provided payment in full.
- The date of service is the date the service was performed or the item was dispensed. It is reported using eight digits and must appear in both the "From" and "To" fields on the claim. Each date of service must be billed on a separate service line.
- The appropriate two-digit place of service code must be used based on the dispensing location or the place where the service was provided.
- Procedure codes must be based on CPT/HCPCS procedure codes and modifiers or a limited number of new Michigan Medicaid specific procedure codes, some of which require CPT/HCPCS modifiers.
- For service line diagnosis coding, the diagnosis code reference number (i.e., 1, 2, 3, or 4 from item 21) is also known as the diagnosis code pointer. There may be up to four pointers reported on a service line, and the primary diagnosis pointer for the service must be reported as the first number.
- Emergent condition code values must be used.
  - "Y" = emergency
  - "N" = not an emergency
- The appropriate coordination of benefits (COB) code must be selected from the list in Chapter IV and is reported in lieu of an other insurance code. The insurance payment or spend down liability amount should appear in item 24K. **NOTE:** An Explanation of Benefits (EOB) must accompany the claim if other insurance made payment or applied charges to the deductible.
- The provider's Federal tax ID number or Social Security number must appear in item 25 of the paper form (or in the comparable item in the electronic format).
- The provider's Medicaid ID number is now a nine-digit number. The first two digits reflect what was previously known as provider type, and the remaining seven digits are the provider's Medicaid number for that location.

## CODING STRUCTURES

Attachment 1 of this bulletin is for hearing and speech centers. There are separate sections for audiology and speech-language pathology, each containing CPT/HCPCS/new Michigan Medicaid specific codes with a crosswalk to the previous code(s) and a list of available modifiers.

Attachment 2 of this bulletin contains a list of CPT/HCPCS/new Michigan Medicaid specific codes with a crosswalk to the previous code(s) and a list of available modifiers for use by hearing aid dealers.

- If a "left" (LT) or "right" (RT) modifier is required (e.g., monaural hearing aid, repair of hearing aid), the modifier must be indicated or the claim will reject.

## EFFECTIVE DATE OF CHANGES

All claims submitted on and after February 1, 2002 must be billed using the National Electronic Data Interchange Transaction Set Health Care Claim: Professional 837 (ASC X12N 837, version 3051 or Michigan Medicaid Interim version 4010) for electronic submission, or HCFA 1500 (12-90) for paper claim submission and completion instructions described in this bulletin, regardless of date of service.

However, **for dates of service prior to February 1, 2002, the procedure codes utilized must be those in effect on the date of service** and modifiers are not required.

## Prior Approval

If prior approval is required on and after February 1, 2002, the provider must complete the Special Services Prior Approval – Request/Authorization (MSA-1653-B) form using the appropriate coding structure. The MSA-1653-B form may be sent to TECHNICAL ASSISTANCE SECTION, REVIEW AND EVALUATION DIVISION, QUALITY IMPROVEMENT AND ELIGIBILITY BUREAU, PO BOX 30170, LANSING, MI 48909 or it may be faxed to (517) 241-0739.

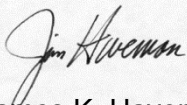
## Manual Maintenance

Retain this bulletin and attachments for use in addition to the newly revised Chapter IV issued with bulletin MSA 01-23.

## Questions

Questions regarding this bulletin should be directed to: Provider Inquiry, Medical Services Administration, P.O. Box 30479, Lansing, Michigan 48909-7979, or may be e-mailed to: [ProviderSupport@Michigan.gov](mailto:ProviderSupport@Michigan.gov). If you submit an e-mail, please include your name, address, phone number, and affiliation. Providers may phone toll free: 1-800-292-2550.

## Approved



James K. Haveman, Jr.  
Director

Robert M. Smedes  
Deputy Director for  
Medical Services Administration