

Michigan Department of Community Health

Distribution: MSA 06-16

Issued: March 1, 2006

Subject: Updates to the Medicaid Provider Manual

Effective: April 1, 2006

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

The Michigan Department of Community Health (MDCH) has completed the April 2006 update of the online version of the 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 second table describes changes made to incorporate information from recently issued Medicaid Bulletins. These changes appear in blue in the online version of the 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 January 2006 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 January 2006 CD version of the Medicaid Provider Manual, retain this bulletin and those referenced in this bulletin. If utilizing the online version of the manual at www.michigan.gov/mdch >>Providers>>Information for Medicaid Providers>>Medicaid Provider Manual, 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



Medicaid Provider Manual April 2006 Updates



TECHNICAL CHANGES*

CHAPTER	SECTION	CHANGE	COMMENT
Billing & Reimbursement for Dental Providers	4.1 Dental Claim Form Completion Instructions	The following was added to the list of codes for Box 25: 01=Maxillary Arch 02=Mandibular Arch	Correction
Billing & Reimbursement for Professionals	6.4 Ancillary Medical Services	The second sentence of the second paragraph in the Injectable Drugs portion of the table was deleted. The word "code" was deleted after NDC in the same paragraph.	Delete redundant information
		The following was added to the end of the information contained in the Immunizations portion of the table: The cost of the vaccine (including 340B price) must be reflected in the charge submitted to Medicaid.	Clarification
Adult Benefits Waiver	Section 2 – Coverage and Limitations	The following information was added to the fifth bullet in the Physician, Nurse Practitioner, Oral Surgeon, and Medical Clinic portion of the table: Psychotropic injectable drugs administered to CHP enrollees must be billed to the CHP.	Clarification
Children's Special Health Care Services	5.1 Financial Determination Process	The first sentence of the last paragraph was modified to read: The MSA-0738 must be completed and submitted, either indicating the individual/family status is exempt from a payment agreement, or with the responsible party's income and family size as reported on the federal income tax return (Form 1040, 1040A, or 1040EZ) from the previous year.	Correction
Children's Special Health Care Services	Section 11 – Travel Assistance	The reference to out-state was corrected to read out-of-state.	Correction

*Technical Updates/Clarifications are always highlighted in yellow in the online manual.



Medicaid Provider Manual April 2006 Updates



TECHNICAL CHANGES*

CHAPTER	SECTION	CHANGE	COMMENT
Dental	6.1.F.5. Radiograph Submission Requirements for Prior Authorization	The following statement was added after the third paragraph: A periapical film is required when submitting teeth that require PA for crown coverage.	Clarification
Dental	6.6.A. General Instructions	The following was added to the end of the second bullet in the second paragraph: (fixed bridges and dentures are to be considered occluding teeth)	Clarification
Dental	6.8 Adjunctive General Services	The second sentence of the first paragraph was changed to read: Intravenous (IV) sedation and general anesthesia are benefits for all beneficiaries.	Correction
Medical Supplier	1.7.I. Hospital Discharge Waiver Services	HCPCS code E0618 was removed from the list.	Correction
Medical Supplier	2.39 Speech Generating Devices	The second bullet in the Documentation portion of the table was changed to read: Specifications for the SGD (Refer to the Outpatient Therapy Chapter). The second paragraph was changed to read: All SGD evaluation documentation requirements must be submitted following the established criteria stated within the Evaluations and Follow-up for Speech-Generating Devices subsection of the Outpatient Therapy Chapter. The second paragraph in the PA Requirements portion of the table was changed to read: PA is required for all SGD systems. Required documentation must accompany the Special Services Prior Approval - Request/Authorization (MSA-1653-B) when requesting authorization for all original and replacement/upgrade SGD requests.	Update

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Medicaid Provider Manual April 2006 Updates



TECHNICAL CHANGES*

CHAPTER	SECTION	CHANGE	COMMENT
Mental Health/ Substance Abuse	4.5 Eligibility Criteria	<p>The last sentence of the first paragraph in the Discharge portion of the table was changed to read:</p> <p>Recovery must be sufficient to maintain functioning without support of ACT as identified through the person-centered planning process.</p> <p>The first bullet in the Discharge portion of the table was changed to read:</p> <p>The beneficiary no longer meets severity of illness criteria and has demonstrated the ability to meet all major role functions for a period of time sufficient to demonstrate clinical stability. Beneficiaries who meet criteria for ACT services usually require and benefit from long term participation in ACT. If a beneficiary requests transition to other service(s) because he believes he has received maximum benefit, consideration for transition must be reviewed during the person-centered planning process. If clinical evidence supports the beneficiary's desire to transition, this evidence and the transition plan must be detailed in a revised Individual Plan of Services developed through the person-centered planning process. The plan must identify what supports and services will be made available, and contain a provision for reenrollment in ACT services, if needed.</p>	Clarification
Mental Health/ Substance Abuse	5.3 Essential Elements	<p>The second bullet in the Informal Setting portion of the table was changed to read:</p> <ul style="list-style-type: none"> Members have access to the clubhouse during times other than the ordered day, including evenings, weekends, and all holidays (including New Year's Day, Memorial Day, Independence Day, Thanksgiving Day, and Christmas Day). 	Clarification
Mental Health/ Substance Abuse	15.1 Waiver Supports and Services	<p>The first sub-bullet in the Enhanced Pharmacy portion of the table was changed to read:</p> <ul style="list-style-type: none"> A history of aspiration pneumonia, or 	Update
Mental Health/ Substance Abuse	17.3.C. Enhanced Pharmacy	<p>The first sub-bullet was changed to read:</p> <ul style="list-style-type: none"> A history of aspiration pneumonia, or 	Update

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Medicaid Provider Manual April 2006 Updates



TECHNICAL CHANGES*

CHAPTER	SECTION	CHANGE	COMMENT
Pharmacy	Section 1 – General Information	The MPPL reference was corrected to read: Michigan Pharmaceutical Product List	Correction
Pharmacy	1.9 Medicare Part D Benefit	The last sentence of the first paragraph was corrected to read: Dually eligible Medicare/Medicaid beneficiaries must obtain all Part D drugs through their Medicare Part D plan (PDP or MA-PD). The fourth bullet was changed to read: Over-the-counter agents used to promote smoking cessation.	Correction/clarification
Pharmacy	8.1 Prior Authorization Processor	The first bullet was changed to read: Supplies billed by Medical Suppliers, including enteral formula and Total Parenteral Nutrition (TPN),	Update
Pharmacy	13.6 Beneficiary Co-payment	Two subcategories were created under this subsection The existing information in the subsection was moved under 13.6.A. Medicaid Co-Payments, and the following information was added in a textbox: Co-payments cannot be discounted for promotional purposes. The following new information was added under 13.6.B. Medicare Part D Co-Payments: Medicaid will not reimburse: <ul style="list-style-type: none"> • Co-pays, deductibles, or co-insurance for Medicare Part D drugs. • Commercial insurance drug co-pays, deductibles or co-insurance for Medicare/Medicaid beneficiaries who choose to retain their creditable drug coverage offered by the commercial insurance in place of joining a Medicare Part D plan. • Co-pays, deductibles, or co-insurance that exceed the standard Medicare Part D benefit for Medicare/Medicaid beneficiaries. 	Update

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Medicaid Provider Manual April 2006 Updates



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CHAPTER	SECTION	CHANGE	COMMENT
Pharmacy	Section 20 – Medical Supplier	The last sentence of the third paragraph was changed to read: These items include equipment (e.g., canes), orthotics (e.g., arch supports), prosthetics, oxygen dispensers, wound care dressings (e.g., transparent film, hydrocolloid absorptive dressings, alginate and gel dressing), splints, ace bandages, TPN, enteral and oral nutritional supplements , etc.	Update
Directory Appendix	Prior Authorization	The contact information for Ventilator Dependent Care Units and Nursing Facility MOUs was updated to: MDCH Prior Authorization Division PO Box 30179 Lansing, MI 48909 800-622-0276 fax 517-241-7813	Update
Directory Appendix	Pharmacy Resources	The following information was added: Provider Liaison Meeting Calendar www.michigan.fhsc.com Schedule for liaison meetings and contact information for questions and submission of agenda items.	Update

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Medicaid Provider Manual April 2006 Updates



BULLETINS INCORPORATED*

BULLETIN NUMBER	DATE ISSUED	CHAPTER	SECTION	CHANGE
MSA 06-15	3/1/06	Hospital (Reimbursement Appendix)	2.6 Episode File 2.9.A. Freestanding Rehabilitation Hospitals/ Distinct Part Rehabilitation Hospitals	Updates the multiplier used in the indirect medical education formula.
MSA 06-14	3/1/06	Hospital (Reimbursement Appendix)	8.4 GME Pool 8.5 Primary Care Pool	Updates dollar amounts of the GME and primary care pools.
MSA 06-11	3/1/06	Hearing Aid Dealers	1.2 HCPCS Codes, Parameters and Modifiers 1.7 Dispensing Fee 1.12.B. Emergency Prior Authorization (deleted, subsequent subsections renumbered) 2.1 Hearing Aids - General 2.8 Replacement Earmolds 2.9.C. Prior Authorization Requirements (Renumbered) 2.9.D. Payment Rules (Renumbered)	Updates/clarifies prior authorization requirements and billing instructions related to hearing aids and repairs.
		Hearing Services	2.1.B. Hearing Aid Evaluation and Selection	

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



Michigan Department of Community Health

Medicaid Provider Manual April 2006 Updates



BULLETINS INCORPORATED*

BULLETIN NUMBER	DATE ISSUED	CHAPTER	SECTION	CHANGE
MSA 06-10	2/27/06	Nursing Facility (Cost Reporting & Reimbursement Appendix)	Section 4 – Cost Reporting	Implements changes for reporting nursing facility home office costs.
MSA 06-09	2/13/06	Mental Health/ Substance Abuse	15.1 Waiver Supports and Services 15.2 Supports and Service Provider Qualifications 17.3.H. Peer-Delivered or -Operated Support Services 17.3.O. Fiscal Intermediary Services (new subsection) Children's Serious Emotional Disturbance Home and Community-Based Services Waiver Appendix (new)	Implements CMS-approved waiver changes.
MSA 06-08	3/1/06	Practitioner	3.4.A. Hearing 3.4.B. Vision	Policy updates related to hearing and vision screening services provided by Local Health Departments.

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Medicaid Provider Manual April 2006 Updates



BULLETINS INCORPORATED*

BULLETIN NUMBER	DATE ISSUED	CHAPTER	SECTION	CHANGE
		Local Health Departments	2.1 Covered Services 2.3 Additional Information on Objective Hearing & Vision Screening (new subsection) 2.5 Medicaid Health Plan Services (renumbered from 2.4) 4.2 MHP Provider Encounters	
		Forms Appendix		Added form MSA-1533 (Local Health Department Assurance of Service Provision for Objective Hearing and Objective Vision Screens).
MSA 06-07	2/06	Coordination of Benefits	Section 4 – Crossover Claims	Updates information related to Medicare crossover claims.
MSA 06-06	2/1/06	Private Duty Nursing	Section 1 – General Information 1.3 Prior Authorization	Refers entities to the Directory Appendix for contact information related to the prior authorization process.
		Directory Appendix	Prior Authorization	Updates contact information.
MSA 06-02	12/29/05	Pharmacy	8.5.B. Medication for Erectile Dysfunction	Subsection deleted due to noncoverage of these drugs.

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Supplemental Bulletin List

The following is a list of Medicaid policy bulletins that supplement the *January 2006* electronic Medicaid Provider Manual. The list will be updated as additional policy bulletins are issued. The updated list will be posted on the MDCH website along with the Medicaid Provider Manual.

Providers affected by a bulletin should retain it until it is incorporated into the quarterly update of the online version of the manual unless instructed otherwise. Providers utilizing the CD version of the manual should retain bulletins until the next CD version is issued.

DATE ISSUED	BULLETIN NUMBER	TOPIC	AFFECTED PROVIDERS	DATE IN ONLINE MANUAL/COMMENTS
3/1/06	MSA 06-15	Updates to DRG Grouper, DRG Rate, Per Diem Rate Rebase	Hospitals	4/1/06 Information incorporated into the Hospital Chapter Reimbursement Appendix and the MDCH website.
3/1/06	MSA 06-14	GME Pool Size Reduction	Hospitals	4/1/06 Information incorporated into the Hospital Chapter Reimbursement Appendix.
3/1/06	MSA 06-12	Healthcare Common Procedure Coding System Standardization	Medical Suppliers	4/1/06 Information added to the Medical Supplier database at www.michigan.gov/mdch >>Providers>>Information for Medicaid Providers>>Provider Specific Information.
3/1/06	MSA 06-11	Hearing Aid Coverage; Billing Clarification and Changes	Hearing Aid Dealers; Hearing Centers	4/1/06 Information incorporated into the Hearing Aid Dealers and Hearing Services chapters.
2/27/06	MSA 06-10	Electronic Home Office Cost Statement	Nursing Facilities	4/1/06 Information incorporated into the Nursing Facility Cost Reporting & Reimbursement Appendix Section 4 – Cost Reporting.



Michigan Department of Community Health



Supplemental Bulletin List

DATE ISSUED	BULLETIN NUMBER	TOPIC	AFFECTED PROVIDERS	DATE IN ONLINE MANUAL/COMMENTS
2/13/06	MSA 06-09	Mental Health and Substance Abuse Policy Changes	Prepaid Inpatient Health Plans	4/1/06 Information incorporated into the Mental Health/Substance Abuse Chapter.
3/1/06	MSA 06-08	Objective Hearing and Vision Screening Policy and Billing; Blood Lead Analysis Clarification	Local Health Departments	4/1/06 Information incorporated into the Practitioner and Local Health Departments chapters, and the Forms Appendix.
2/06	MSA 06-07	Medicare Part B Crossover Claims	Practitioners, Optometrists, Federally Qualified Health Centers, Rural Health Clinics, Tribal Health Centers, Medical Clinics, Local Health Departments, Ambulance, Independent Labs, Medical Suppliers, Orthotists/Prosthetists, Vision	4/1/06 Information incorporated into the Coordination of Benefits Chapter.
2/1/06	MSA 06-06	Change in Program that Authorizes Private Duty Nursing for Non-Waiver Beneficiaries or Beneficiaries Not Currently Receiving Services Through a Waiver	Private Duty Nursing	4/1/06 Information incorporated into the Private Duty Nursing Chapter.
1/06	MSA 06-03	Sanctioned Providers (Monthly Update)	All providers	Retain until the complete sanctioned provider list is re-issued.
12/05	MSA 06-02	Termination of Sexual or Erectile Dysfunction Drug Coverage	Pharmacy, Hospital, Practitioners, Local Health Departments, Medicaid Health Plans, Community Mental Health Programs	04/01/06 Information incorporated into the Pharmacy Chapter.



Michigan Department of Community Health



Supplemental Bulletin List

DATE ISSUED	BULLETIN NUMBER	TOPIC	AFFECTED PROVIDERS	DATE IN ONLINE MANUAL/COMMENTS
10/05	MSA 05-46	Sanctioned Providers List		<p>The list of sanctioned providers is available on the MDCH website at www.michigan.gov/mdch >>Providers>>Information for Medicaid Providers >>List of Sanctioned Providers.</p> <p>Providers without access to the internet should retain this bulletin.</p>