

# Provider Insider

Alabama Medicaid Bulletin

April 2018

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## ATTENTION ALL HOSPITALS: MEDICAID CREDIT BALANCE AUDITS

As required by federal law, the Alabama Medicaid Agency audits hospital reports and records to determine if overpayments involving Medicaid outpatient and inpatient accounts exist. The audits are conducted by the Agency's contractor, Health Management Systems (HMS). As an agent of the Alabama Medicaid Agency, HMS has authorization to access and review patient financial records involving Medicaid accounts.

HMS's reviews will focus on transactions affecting the financial accounts of selected Medicaid recipients. HMS will inform the Medicaid Agency of all outpatient and inpatient overpayments as well as third party payments made to the hospital and not credited to Medicaid.

As a condition of participation in the Medicaid program, all providers agree to determine the legal liability of third parties to pay for services provided to Medicaid recipients and to comply with state Medicaid third party liability recovery requirements. To that end, providers are expected to make all requested patient financial records available to HMS representatives and to have patient billing staff present when on-site audit visits are made.

Provider questions should be directed to Shari Rudd at 334-353-3403 or [shari.rudd@medicaid.alabama.gov](mailto:shari.rudd@medicaid.alabama.gov)

*Authority: Under Section 1902(a) (25) of the Social Security Act provides, "State agencies administering their Medicaid program will take all reasonable measures to determine the legal liability of third parties to reimburse for services arising from injury, disease or disability." Pursuant to Title 42 Chapter IV Part 433.139 of the Code of Federal Regulations and the authority cited therein, Medicaid providers are subject to reviews in order to ensure compliance with State Medicaid third party liability recovery requirements.*



## In This Issue

<b>ATTENTION ALL HOSPITALS: Medicaid Credit Balance Audits</b> .....	1
<b>Recipient Signature Requirements</b> .....	2
<b>Changes to Fee-for-service Maternity Claims</b> .....	2
<b>REMINDER: Proper Documentation of Billed Services</b> .....	2
<b>ATTENTION: Nursing Home, Home and Community Based Service Waivers, and Hospice Providers</b> .....	3
<b>DXC Provider Representatives</b> .....	3
<b>ATTENTION: What must a provider do if there is a change in status?</b> .....	4

## Pass It On!

Everyone needs to know the latest about Medicaid. Be sure to route this to:

- Office Manager
- Billing Dept.
- Medical/Clinical Professionals
- Other \_\_\_\_\_

The information contained within is subject to change. Please review your Provider Manual and all Provider Alerts for the most up to date information.

## RECIPIENT SIGNATURE REQUIREMENTS

### Rule No. 560-X-1-.18 Provider and Recipient Signature Requirements

As a reminder, all providers must obtain a signature from the recipient and this signature must be kept on file as verification that the recipient was present on the date of service for which the provider seeks payment (e.g., release forms or sign-in sheets). Unless otherwise specified, the signature requirements may be satisfied by a hand-written, electronic, or digital signature. As stated in the Administrative Code for Alabama Medicaid under Rule No. 560-X-1-.18(3)(a)(2):

“Recipient signatures are required for all pharmacy, Durable Medical Equipment (“DME”), supply, appliance and Prosthetics, Orthotics and Pedorthics (“POP”) claims to validate the billed and reimbursed service was rendered to the recipient and

for pharmacy claims to ensure the recipient was offered appropriate counseling (if applicable). For pharmacy, DME, supply, appliance and POP items that have been delivered, the provider must ensure that the delivery service obtains the recipient’s signature or the signature of the recipient’s Designee.”

Please note it is important for providers to follow these procedures. Failure of providers to follow the signature requirements will result in recoupment as stated in Rule No. 560-X-1-.18(3)(c):

“When payment has been made on claims for which a signature is not available and one of the above exceptions is not applicable, the funds paid to the provider covering this claim will be recouped.”

For further guidance and additional information on signature requirements, as well as a description of exceptions to the listed signature requirements, providers are encouraged to refer to Rule No. 560-X-1-.18 located in Chapter 1 of the Administrative Code for Alabama Medicaid Agency, which can be found on pages 13 through 17 of the following link:

[http://www.medicaid.alabama.gov/documents/9.0\\_Resources/9.2\\_Administrative\\_Code/9.2\\_Adm\\_Code\\_Chap\\_1\\_General\\_10-24-16.pdf](http://www.medicaid.alabama.gov/documents/9.0_Resources/9.2_Administrative_Code/9.2_Adm_Code_Chap_1_General_10-24-16.pdf)

### CHANGES TO FEE-FOR-SERVICE MATERNITY CLAIMS

Effective for dates of service on or after February 1, 2018, fee-for-service delivery claims for recipients who reside in a county not served by an Alabama Medicaid Maternity Care Program (Districts 10 and 12) must contain the date of last menstrual period and the date of first prenatal visit. This information is not required for hospital claims. Beginning February 1, 2018, claims without this information will receive a denial code stating either that the information is missing or invalid. The

claim will process, but the provider will receive the denial message to remind them that the information is required. Beginning on August 1, 2018, claims without the required information will be denied. For further information on how to include this required information on claims, please refer to the Provider ALERT dated March 16, 2018, on the Alabama Medicaid website.



### REMINDER: PROPER DOCUMENTATION OF BILLED SERVICES



The Payment Error Rate Measurement (PERM) audits authorized by the Centers for Medicare and Medicaid Services (CMS) measure improper payments in Medicaid and the Children’s Health Insurance Program (CHIP). As a part of the program, recipients’ records are subject to be audited for correctness. Providers are to keep detailed records of such quality, sufficiency, and completeness that fully disclose the extent and cost of services, equipment, or supplies furnished to eligible recipients. Providers should ensure records are legible and complete (i.e. physicians signatures, correct dates, treatments plans, progress notes, consent forms, etc.). Please refer to Chapter 7 of the Provider Billing Manual.

# ATTENTION:

## ***Nursing Home, Home and Community Based Service Waivers, and Hospice Providers***

The Alabama Medicaid Agency will be verifying if recipients are being discharged from these programs in the near future. Many times recipients are not being discharged from the assigned program through the LTC Software.

### **NURSING HOME COMMON ERROR**

Discharge the recipient if he or she returns to the community. The LTC segment needs to be end dated for the recipient to receive services in the community. If admitted to a hospital, the recipient must be discharged and readmitted on the LTC file. The Form 161 must be completed

before the readmission is submitted through the LTC software. A discharge should also be submitted if the recipient elects the hospice benefit.

### **Home and Community Based Service Waivers Error**

Discharge the recipient if he or she enters the nursing home or elects hospice.

### **Hospice Common Error**

Hospice providers should fax the Form 165B (Hospice Recipient Status Change Form) to Qualis Health at (888) 213-8548, for revocations and discharges.

## ***DXC PROVIDER REPRESENTATIVES • 855-523-9170***

DXC Provider Representatives may be reached by dialing 1-855-523-9170 and entering the appropriate seven digit extension. Provider Representatives travel throughout the state of Alabama and into bordering states within a 30 mile radius. They are available for onsite training for issues related to billing, Medicaid Interactive Web Portal, or Provider Electronic Solutions software. Please contact any Provider Representative for assistance with billing related issues.



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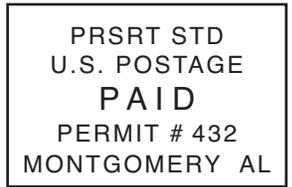
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## **ATTENTION ALL**

**PSYCHOLOGISTS, AND ALLIED MENTAL HEALTH PROFESSIONAL (AMHP) STAFF  
EMPLOYED BY OR SUPERVISED BY AN ALABAMA MEDICAID AGENCY (MEDICAID)  
ENROLLED PSYCHOLOGIST AND/OR PSYCHOLOGY OFFICE MANAGER/BILLING STAFF  
COMPLETING FORMS ON BEHALF OF THE PSYCHOLOGIST/AMHP**

### **What must a provider do if there is a change in status?**

When changing your billing location but keeping the same supervising psychologist, it is acceptable at this time to send in a notice to the Agency on your letterhead indicating the address of the new location and the effective date. Effective May 1, 2018, please complete the form that has been developed for your convenience and posted to the website at this link: [http://www.medicaid.alabama.gov/content/4.0\\_Programs/4.2\\_Medical\\_Services/4.2.5\\_Health\\_Professionals/4.2.5.1\\_Psychologist\\_Billing.aspx](http://www.medicaid.alabama.gov/content/4.0_Programs/4.2_Medical_Services/4.2.5_Health_Professionals/4.2.5.1_Psychologist_Billing.aspx)

If changing locations **and** changing supervising psychologist a new Supervision Contract is required.

If keeping the same location but getting a different supervising psychologist, a new Supervision Contract is required.

**Effective December 18, 2017, Calvin Binion is no longer with the Mental Health Programs Unit.**

Please direct all e-mail/fax communications to:

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