

Wisconsin Medicaid and BadgerCare update

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Wisconsin Medicaid and BadgerCare Information for Providers

To:
Federally Qualified
Health Clinics
Nurse Midwives
Nurse
Practitioners
Physician
Assistants
Physician Clinics
Physicians
Rural Health
Clinics
HMOs and Other
Managed Care
Programs

Maximum allowable fee and coverage changes for physician services

Effective for dates of service on and after July 1, 2001, Wisconsin Medicaid is increasing its maximum allowable fees for physician services except for laboratory and injection services.

Physician services rate increase

Wisconsin Act 16, the 2001-2003 biennial budget, authorized a 1.065% rate increase in maximum allowable fees for most Wisconsin Medicaid non-institutional providers, except for laboratory and injection services. (Laboratory rates were increased up to the current Medicare allowable fee and pricing for injections is cost-based.)

In addition to this increase, Wisconsin Act 16 authorized additional rate increases for selected providers. Therefore, physicians will receive a rate increase for office or other outpatient visits listed in the Attachment of this *Wisconsin Medicaid and BadgerCare Update*. The rate changes are effective for dates of service (DOS) on and after July 1, 2001. The new rates (maximum allowable fees) apply to all physicians and nurse practitioners, regardless of specialty. Nurse midwives and physician assistants will receive 90% of these reimbursement rates.

Eligible providers using the appropriate modifiers will continue to receive enhanced

reimbursement rates for these procedures when these services are performed on pediatric patients (PD modifier) or when the services are eligible for Health Personnel Shortage Areas incentive payments (HP and HK modifiers).

Providers may obtain updated maximum allowable fee schedules from Wisconsin Medicaid. Refer to the All-Provider Handbook for ordering instructions. Fee schedules, provider handbooks, and *Updates* are located on the Medicaid Web site at www.dhfs.state.wi.us/medicaid/.

Automatic claim adjustments

Wisconsin Medicaid will automatically adjust claims if the amount billed exceeded the previous maximum allowable fee. Wisconsin Medicaid will not automatically adjust paid claims on which the billed amount was equal to or less than the previous maximum allowable fee.

Providers are reminded that:

- They are required to submit claims to Wisconsin Medicaid using their usual and customary charges.
- Wisconsin Medicaid will reimburse providers the less of either the billed amount or the maximum allowable fee.

Recipient copayments

For those services that require recipient copayment, the copayment amount for a particular service may change if the Medicaid maximum allowable fee for that service increases to the next highest copayment level.

Providers should verify that they are charging the correct copayment amount for each service. The following copayment chart applies:

Copayment amounts	
The copayment amounts for each evaluation and management, laboratory, X-ray, and diagnostic service procedure code, based on the maximum allowable fee, are as follows:	
Medicaid maximum allowable fee	Copayment
• Up to \$10.00	\$0.50
• From \$10.01 to \$25.00	\$1.00
• From \$25.01 to \$50.00	\$2.00
• Over \$50.00	\$3.00
Surgery services (each)	\$3.00
Allergy testing (per date of service)	\$2.00

For more detailed information about copayments (including copayment guidelines and exemptions) refer to the All-Provider Handbook and to the Physician Services Handbook.

Reimbursement and coverage changes for services provided by ancillary providers

As a result of the targeted rate increase, effective for DOS on and after April 1, 2002, only lower level office or outpatient visits (procedure codes 99201, 99202, 99211, 99212) will be covered for services provided by ancillary providers (e.g., dietician counselors, nutritionists) when billed under a Medicaid-certified physician's Medicaid identification number. Higher level office or outpatient visits (procedure codes 99203-99205, 99213-99215) will no longer be covered for ancillary providers. This change brings Wisconsin Medicaid's policy and reimbursement closer to *Medicare's* policy and reimbursement.

Managed care providers

This *Update* contains Medicaid fee-for-service policy and applies to providers of services to recipients on fee-for-service Medicaid only. For Medicaid HMO or managed care policy, contact the appropriate managed care organization. Wisconsin Medicaid HMOs are required to provide at least the same benefits as those provided under fee-for-service arrangements. HMO reimbursement rates are defined by the contract signed between the provider and the HMO.

The *Wisconsin Medicaid and BadgerCare Update* is the first source of program policy and billing information for providers.

Although the *Update* refers to Medicaid recipients, all information applies to BadgerCare recipients also.

Wisconsin Medicaid and BadgerCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at www.dhfs.state.wi.us/medicaid/.

ATTACHMENT

Maximum allowable fees for office and other outpatient visits, effective July 1, 2001

The following table reflects the procedure codes in which the rate increase exceeds 1.065%. The type of service code “1” (Medical) applies to all the following procedure codes. Refer to *Current Procedural Terminology* for descriptions of these procedure codes.

Office or other outpatient services		
Procedure code	Maximum allowable fee* (as of July 1, 2001)	Copayment
99201	\$21.54	\$1
99202	\$36.24	\$2
99203	\$54.19	\$3
99204	\$77.53	\$3
99205	\$98.63	\$3
99211	\$11.94	\$1
99212	\$21.50	\$1
99213	\$29.68	\$2
99214	\$46.67	\$2
99215	\$68.39	\$3

*Physician assistants and nurse midwives are reimbursed 90% of the payment allowed for the physician who would have otherwise performed the service. Nurse practitioners are reimbursed the same amount as physicians for these services. Refer to the Physician Services Handbook for more information on Medicaid reimbursement.