

To:
Audiologists
Hearing
Instrument
Specialists
Speech and
Hearing Clinics
HMOs and Other
Managed Care
Programs

Effective dates for claims submission and prior authorization changes as a result of HIPAA for hearing instruments and hearing services

This *Wisconsin Medicaid and BadgerCare Update* provides specific effective dates for the changes that will be implemented by Wisconsin Medicaid as a result of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) for hearing instruments and hearing services.

This *Update* gives implementation dates for all hearing instrument and hearing service providers, whether they exchange information with Wisconsin Medicaid on paper or electronically.

This *Wisconsin Medicaid and BadgerCare Update* provides specific effective dates for the changes that will be implemented by Wisconsin Medicaid as a result of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) for hearing instruments and hearing services. These dates apply to the claims submission and prior authorization changes described in the July 2003 *Update* (2003-56), titled "Changes to paper claims and prior authorization for hearing instruments and hearing services as a result of HIPAA." This *Update* makes frequent reference to *Update* 2003-56; providers are encouraged to read this *Update* alongside *Update* 2003-56.

This *Update* gives implementation dates for all hearing instrument and hearing service

providers, whether they exchange information with Wisconsin Medicaid on paper or electronically. Failure to follow the effective dates that are provided in this *Update* may result in claim denials and returned or denied requests for prior authorization.

Attention: Advice for providers

Wisconsin Medicaid recognizes that this is a difficult time for providers with the nationwide implementation of HIPAA in October 2003. Providers are cautioned to pay close attention to the deadlines and requirements outlined in this *Update*, which are necessary to assure a smooth transition to the HIPAA standards. Providers should allow additional time to adjust to the new billing requirements and systems changes. Providers may experience a temporary delay in the payment of claims due to increased billing errors and system changes near the federal compliance date of October 16, 2003, as Wisconsin Medicaid, other payers, and providers implement the HIPAA requirements and billing standards.

Providers should note the way the various changes will be implemented. Changes as a result of HIPAA will be implemented based on:

- **Date of service.** For changes implemented based on the date of service, the important question to ask is: “**When was the service performed?**”
- **Date of receipt by Wisconsin Medicaid.** For changes implemented based on the date of receipt, the important question to ask is: “**When will this claim or request for prior authorization be received by Wisconsin Medicaid?**” Providers should allow enough time for mail delivery when meeting the deadlines identified in this publication.

Effective dates for national codes that will replace Wisconsin Medicaid local codes, revised claim instructions, and revised prior authorization (PA) forms and instructions are addressed separately in this *Update*. Codes, claims, and prior authorizations have different implementation procedures.

Medical and nonmedical codes

Codes fit into two categories, medical codes and nonmedical codes. Medical codes describe specific health care conditions and services while nonmedical codes describe general administrative situations.

Medical and nonmedical codes are implemented based on **dates of service** or **date of receipt**, respectively, as required by federal HIPAA regulations.

Medical codes

National medical codes include procedure codes and modifiers effective for **dates of service** on and after March 1, 2003. Refer to the January 2003 *Update* (2003-06), titled “Hearing instruments and related services code changes,” for national procedure codes and modifiers.

Medical codes effective for dates of service before March 1, 2003, include Wisconsin Medicaid local procedure codes.

Nonmedical codes

Changes to nonmedical codes, as indicated in *Update* 2003-56, will be implemented based on the **date of receipt**. For nonmedical codes received on paper claims and paper requests for prior authorization, the changes will be effective on and after October 1, 2003. For nonmedical codes received on electronic claims, the changes will be effective on and after October 13, 2003. National nonmedical codes used by Wisconsin Medicaid include:

- Allowable nationally recognized two-digit place of service (POS) codes (refer to Attachment 1 of *Update* 2003-56).
- Type of service (TOS) codes will no longer be required on Medicaid claims and PA forms because they are not national codes.

Pre-HIPAA nonmedical codes include TOS codes and one-digit Wisconsin Medicaid POS codes.

Claims submission

Different implementation dates will be used for electronic and paper claims. A calendar of HIPAA implementation dates for electronic and paper claims is included in Attachment 1 of this *Update*.

Electronic claims submission

For electronic claims received by Wisconsin Medicaid on and after October 13, 2003, providers must use:

- The 837 Health Care Claim: Professional transaction, commonly known as the 837P (refer to the Medicaid Web site at www.dhfs.state.wi.us/medicaid/ for the 837P companion document).
- National nonmedical codes.

Changes to nonmedical codes, as indicated in *Update* 2003-56, will be implemented based on the **date of receipt**.

- Medical codes appropriate to the date of service.

Paper claims submission

For paper claims received by Wisconsin Medicaid on and after October 1, 2003, providers must use:

- HIPAA CMS 1500 claim instructions (refer to Attachment 2 of *Update* 2003-56).
- National nonmedical codes.
- Medical codes appropriate to the date of service.

Refer to Attachment 3 of this *Update* for claims submission examples for hearing services.

Electronic claim adjustments

For electronic claim adjustments received on and after October 13, 2003, providers must use:

- The electronic 837P adjustment (refer to the Medicaid Web site at www.dhfs.state.wi.us/medicaid/ for the 837P companion document).
- National nonmedical codes.
- Medical codes appropriate to the date of service.

Paper claim adjustments

For paper claim adjustments received on and after October 1, 2003, providers must use:

- The Adjustment/Reconsideration Request form and completion instructions; the use of this form is voluntary. Providers may develop their own form as long as it includes all the information on this form and is formatted exactly like this form. (Refer to the June 2003 *Update* [2003-31], titled “Changes to the Wisconsin Medicaid Adjustment Request form and instructions,” for more information about paper claim adjustments.)
- National nonmedical codes.

- Medical codes appropriate to the date of service.

Refer to Attachment 4 of this *Update* for examples of claim adjustment requests.

Prior authorization

Refer to Attachment 2 of this *Update* for a calendar of HIPAA implementation dates for prior authorization. As indicated on the calendar, the fax deadline for receiving requests for prior authorization using the pre-HIPAA PA forms is 11:59 p.m. on September 30, 2003.

New requests for prior authorization

For new requests for prior authorization received by Wisconsin Medicaid on and after October 1, 2003, (with future dates of service) providers must use:

- The revised PA forms and instructions (refer to Attachments 5-14 of *Update* 2003-56).
- National nonmedical codes.
- National medical codes.

Refer to Attachment 5 of this *Update* for examples of new requests for prior authorization.

Requests for prior authorization with backdating

For requests for prior authorization with backdating received by Wisconsin Medicaid on and after October 1, 2003, providers must use:

- The revised PA forms and instructions (refer to Attachments 5-14 of *Update* 2003-56).
- National nonmedical codes.
- Medical codes appropriate to the date of service.

As indicated on the calendar, the fax deadline for receiving requests for prior authorization using the pre-HIPAA PA forms is 11:59 p.m. on September 30, 2003.

Refer to Attachment 6 of this *Update* for examples of requests for prior authorization with backdating.

Requests for prior authorization currently in process

For requests for prior authorization that are received before October 1, 2003, but returned by Wisconsin Medicaid to the provider for more information and subsequently received by Wisconsin Medicaid on or after October 1, 2003, providers must use:

- The revised Prior Authorization Request Form (PA/RF) and instructions. Providers will not be required to submit new PA attachments; however, the pre-HIPAA PA/RF and the pre-HIPAA PA attachments must accompany the new PA/RF. (Refer to Attachment 5 of *Update* 2003-56 for the revised PA/RF instructions.)
- National nonmedical codes.
- Medical codes appropriate to the date of service.

Prior authorization amendments

For prior authorization amendments received by Wisconsin Medicaid on and after October 1, 2003, providers must use:

- National nonmedical codes.
- Medical codes appropriate to the date of service.

Electronic transactions

A calendar that reflects the various implementation dates for electronic transactions is provided in Attachment 1 of this *Update*.

Electronic transactions received by Wisconsin Medicaid

The following are the implementation dates for electronic transactions received by Wisconsin Medicaid:

- The deadline for pre-HIPAA claims received on magnetic cartridge is **3:00 p.m. on October 8, 2003**.
- The deadline for pre-HIPAA claims received by the Electronic Data Interchange (EDI) department is **noon on October 10, 2003**.
- The deadline for claims received using the free Medicaid software that is supported by Proservices (known as EZ-LINK, Pace, and dental software) is **1:00 p.m. on October 10, 2003**.
- Wisconsin Medicaid will begin accepting the 837P on **October 13, 2003**.
- Wisconsin Medicaid will begin accepting claims using Provider Electronic Solutions (PES) software on **October 13, 2003**.

Electronic transactions received and sent by Wisconsin Medicaid

Wisconsin Medicaid will begin accepting and sending the 270/271 Health Care Eligibility Inquiry transaction on **October 13, 2003**.

Electronic transactions sent by Wisconsin Medicaid

Wisconsin Medicaid will begin sending the TA 1 Interchange Acknowledgment and the 997 Functional Acknowledgment on **October 13, 2003**.

Electronic transactions available from Wisconsin Medicaid

The 835 Health Care Claim Payment/Advice will be available from Wisconsin Medicaid on and after **October 20, 2003**.

A calendar that reflects the various implementation dates for electronic transactions is provided in Attachment 1 of this *Update*.

Obtaining information

For questions about this *Update*, providers may call Provider Services at (800) 947-9627 or (608) 221-9883.

Information regarding Medicaid HMOs

This *Update* contains Medicaid fee-for-service information and applies to providers of services to recipients who have fee-for-service Medicaid. Since HIPAA impacts all health care payers, it is important to know that HIPAA changes, including changes from local procedure codes to national procedure codes, will also have an impact on Medicaid HMOs. For questions related to Medicaid HMOs or managed care HIPAA-related changes, contact the appropriate managed care organization.

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 1

Calendar of HIPAA implementation for claims submission for hearing instruments and hearing services

September/October 2003						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28 (September)	29	30 Paper claims: Last day Wisconsin Medicaid will accept paper claims using the pre-HIPAA* claim instructions.	1 (October) Paper claims: Wisconsin Medicaid will begin accepting paper claims using the HIPAA claim instructions.	2	3	4
5	6	7	8 Electronic claims: Last day Wisconsin Medicaid will accept pre-HIPAA claims on magnetic cartridge.	9	10 Electronic claims: Last day the Electronic Data Interchange (EDI) department will accept pre-HIPAA electronic claims. Last day providers can submit claims using free Proservice's software.	11 Electronic claims: Wisconsin Medicaid will not accept electronic claims.
12 Electronic claims: Wisconsin Medicaid will not accept electronic claims.	13 Electronic claims: Providers may begin submitting claims using Provider Electronic Solutions (PES) software. Wisconsin Medicaid will begin accepting the 837 Health Care Claim: Professional transaction. Wisconsin Medicaid will begin accepting and sending the 270/271 Health Care Eligibility Inquiry transaction. Wisconsin Medicaid will begin sending the TA1 Interchange Acknowledgment and the 997 Functional Acknowledgment transactions.	14	15	16	17	18
19	20 Remittance and status: The 835 Health Care Claim Payment/Advice will be available from Wisconsin Medicaid.	21	22	23	24	25

*HIPAA = Health Insurance Portability and Accountability Act of 1996.

ATTACHMENT 2

Calendar of HIPAA implementation for prior authorization for hearing instruments and hearing services

September/October 2003						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
28 (September)	29	30 Last day Wisconsin Medicaid will accept the pre-HIPAA* prior authorization (PA) forms. Fax deadline — 11:59 p.m.	1 (October) Wisconsin Medicaid will begin accepting revised PA forms.	2	3	4

*HIPAA = Health Insurance Portability and Accountability Act of 1996.

ATTACHMENT 3

Claims submission examples for hearing instruments and hearing services

Examples of claims submission before and after the implementation of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) are illustrated below.

For example, if both of the following are true:		Then use the following:		
Date of service	Date of receipt	Paper claim instructions	Electronic claims submission	Codes
9/1/03	9/30/03	Pre-HIPAA claim instructions	Any pre-HIPAA claims submission software, including Proservices software (known as EZ-LINK, Pace, and dental software)	<ul style="list-style-type: none"> Pre-HIPAA nonmedical codes. National medical codes.
9/30/03	10/14/03	HIPAA claim instructions	837 Health Care Claim: Professional transaction, commonly known as the 837P (including claims submitted using Provider Electronic Solutions [PES] software)	<ul style="list-style-type: none"> National nonmedical codes. National medical codes.
10/14/03	11/1/03	HIPAA claim instructions	837P (including claims submitted using PES software)	<ul style="list-style-type: none"> National nonmedical codes. National medical codes.

For the following examples, the hearing instrument dispensed was an air conduction, body-worn monaural hearing aid for the left ear. The hearing aid was dispensed in the provider's office.

If both of the following are true:		Then use the following:					
Date of service	Date of receipt	Paper claim instructions	Electronic claims submission	Place of service code	Type of service code	Procedure code	Modifier(s)
9/1/03	9/30/03	Pre-HIPAA claim instructions	Any pre-HIPAA claims submission software, including Proservices software (known as EZ-LINK, Pace, and dental software)	3	P	V5030	LT
9/30/03	10/14/03	HIPAA claim instructions	837P (including claims submitted using PES software)	11	None	V5030	LT
10/14/03	11/1/03	HIPAA claim instructions	837P (including claims submitted using PES software)	11	None	V5030	LT

ATTACHMENT 4

Claim adjustment examples for hearing instruments and hearing services

Examples of claims adjustments before and after the implementation of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) are illustrated below.

For example, if both of the following are true:		Then use the following:		
Original date of service	Date adjustment received	Paper Adjustment Request form*	Electronic 837P adjustment	Codes
9/1/03	9/30/03	Pre-HIPAA form	Not applicable	<ul style="list-style-type: none"> • Pre-HIPAA nonmedical codes. • National medical codes.
9/30/03	10/14/03	Adjustment/Reconsideration Request form and completion instructions	Allowable	<ul style="list-style-type: none"> • National nonmedical codes. • National medical codes.
10/14/03	11/1/03	Adjustment/Reconsideration Request form and completion instructions	Allowable	<ul style="list-style-type: none"> • National nonmedical codes. • National medical codes.

*Refer to the June 2003 *Wisconsin Medicaid and BadgerCare Update (2003-31)*, titled "Changes to the Wisconsin Medicaid Adjustment Request form and instructions," for more information about paper claim adjustments.

ATTACHMENT 5

Examples of requests for prior authorization for hearing instruments and hearing services

Examples of new requests for prior authorization before and after the implementation of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) are illustrated below.

For example, if both of the following are true:		Then use the following:	
Date of receipt	Requested start date	Prior authorization (PA) forms and instructions	Codes
9/1/03	9/30/03	Pre-HIPAA PA forms and instructions	<ul style="list-style-type: none"> • Pre-HIPAA nonmedical codes. • National medical codes.
9/30/03	10/14/03	Pre-HIPAA PA forms and instructions	<ul style="list-style-type: none"> • Pre-HIPAA nonmedical codes. • National medical codes.
10/14/03	11/1/03	Revised PA forms and instructions	<ul style="list-style-type: none"> • National nonmedical codes. • National medical codes.

For the following examples, the hearing instrument dispensed was an air conduction, body worn monaural hearing aid for the left ear. The hearing aid was dispensed in the provider's office.

For example, if both of the following are true:		Then use the following:				
Date of receipt	Requested start date	Prior authorization (PA) forms and instructions	Procedure code	Modifier(s)	Place of service code	Type of service code
9/1/03	9/30/03	Pre-HIPAA PA forms and instructions	V5030	LT	3	P
9/30/03	10/14/03	Pre-HIPAA PA forms and instructions	V5030	LT	3	P
10/14/03	11/1/03	Revised PA forms and instructions	V5030	LT	11	None

ATTACHMENT 6

Examples of requests for prior authorization with backdating for hearing instruments and hearing services

Examples of requests for prior authorization with backdating before and after the implementation of the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) are illustrated below.

For example, if both of the following are true:		Then use the following:	
Date of receipt	Date the service was provided	Prior authorization (PA) forms and instructions	Codes
9/30/03	9/20/03 and 9/25/03	Pre-HIPAA PA forms and instructions	<ul style="list-style-type: none"> • Pre-HIPAA nonmedical codes. • National medical codes.
10/03/03	9/20/03 and 9/25/03	Revised PA forms and instructions	<ul style="list-style-type: none"> • National nonmedical codes. • National medical codes.
10/03/03	9/25/03 and 10/02/03	Revised PA forms and instructions	<ul style="list-style-type: none"> • National nonmedical codes. • National medical codes.
10/19/03	10/10/03 and 10/14/03	Revised PA forms and instructions	<ul style="list-style-type: none"> • National nonmedical codes. • National medical codes.