

Wisconsin Medicaid and BadgerCare update

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Wisconsin Medicaid and BadgerCare Information for Providers

To:

Hospice Providers

HMOs and Other
Managed Care
Programs

Effective dates for claims submission changes as a result of HIPAA for hospice 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 hospice services.

This *Update* gives implementation dates for all hospice 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 hospice services. These dates apply to claims submission changes described in the June 2003 *Update* (2003-38), titled "Changes to local codes and paper claims for hospice services as a result of HIPAA." This *Update* makes frequent reference to *Update* 2003-38; providers are encouraged to read this *Update* alongside *Update* 2003-38.

This *Update* gives implementation dates for all hospice 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.

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

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.

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/.

revised claim instructions are addressed separately in this *Update*.

Nonmedical codes

Nonmedical codes describe general administrative situations. Nonmedical codes are implemented based on **date of receipt** as required by federal HIPAA regulations.

Changes to nonmedical codes, as indicated in *Update 2003-38*, will be implemented based on the **date of receipt**. For nonmedical codes received on paper claims, 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. Changes to Wisconsin Medicaid nonmedical codes include:

- Replacing Wisconsin Medicaid local revenue codes with national revenue codes (refer to Attachment 1 of *Update 2003-38*).
- Eliminating local value code “22.” This code will no longer be used to indicate spenddown. Wisconsin Medicaid will automatically reduce the provider’s reimbursement by the recipient’s spenddown amount.
- Eliminating local value code “84.” This code will no longer be required on Medicaid claims because it is not a national code. Refer to *Update 2003-32* for further information about indicating patient liability on Medicaid claims.

Pre-HIPAA nonmedical codes include Wisconsin Medicaid local revenue codes and local value codes “22” and “84.”

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: Institutional transaction, commonly known as the 837I (refer to the Medicaid Web site at www.dhfs.state.wi.us/medicaid/ for the 837I companion document).
- National nonmedical codes.
- A newborn’s Medicaid identification number, instead of the mother’s identification number. (Refer to the June 2003 *Update* [2003-29], titled “Wisconsin Medicaid no longer reimburses claims for newborns under the mother’s identification number.”)

Paper claims submission

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

- HIPAA UB-92 claim instructions (refer to Attachment 2 of *Update 2003-38*).
- National nonmedical codes.
- A newborn’s Medicaid identification number, instead of the mother’s identification number (refer to *Update 2003-29*).

Refer to Attachment 2 of this *Update* for claims submission examples for hospital services.

Electronic claim adjustments

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

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

Changes to nonmedical codes, as indicated in *Update 2003-38*, will be implemented based on the **date of receipt**.

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.

Refer to Attachment 3 of this *Update* for examples of claim adjustment requests.

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 837I 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 TA1 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**.

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

ATTACHMENT 1

Calendar of HIPAA implementation for claims submission for hospice 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: Institutional 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

Claims submission examples for hospice 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)	Pre-HIPAA nonmedical codes
9/30/03	10/14/03	HIPAA claim instructions	837 Health Care Claim: Institutional transaction, commonly known as the 837I (including claims submitted using Provider Electronic Solutions [PES] software)	National nonmedical codes
10/14/03	11/1/03	HIPAA claim instructions	837I (including claims submitted using PES software)	National nonmedical codes

For the following examples, room and board was provided in a skilled nursing facility/intermediate care facility.

If both of the following are true:		Then use the following:		
Date of service	Date of receipt	Paper claim instructions	Electronic claims submission	Revenue code
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)	169
9/30/03	10/14/03	HIPAA claim instructions	837I (including claims submitted using PES software)	0169
10/14/03	11/1/03	HIPAA claim instructions	837I (including claims submitted using PES software)	0169

ATTACHMENT 3

Claim adjustment examples for hospice 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 837I adjustment	Codes
9/1/03	9/30/03	Pre-HIPAA form	Not applicable	Pre-HIPAA nonmedical codes
9/30/03	10/14/03	Adjustment/Reconsideration Request form and completion instructions	Allowable	National nonmedical codes
10/14/03	11/1/03	Adjustment/Reconsideration Request form and completion instructions	Allowable	National nonmedical 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.