

Affected Programs: BadgerCare Plus, Medicaid
To: Hospital Providers, HMOs and Other Managed Care Programs

Reminder of ForwardHealth's Claim Submission Requirements and Reimbursement Policy for Outpatient Hospital Services

This *ForwardHealth Update* reminds providers of ForwardHealth's definition of outpatient hospital services and clarifies claim submission requirements and reimbursement policy for these services.

To be enrolled and reimbursed as an outpatient hospital by Wisconsin Medicaid, a facility must be licensed as a hospital by the Division of Quality Assurance (DQA) under Wis. Stat. ch. 50. Therefore, a service may be reimbursed at Medicaid outpatient hospital rates only if it is provided in a building that is licensed by the DQA as a hospital. For licensure purposes, the hospital includes all inpatient rooms, surgical suites, and other facilities where services are performed for members. This policy is commonly referred to as the "4 walls policy."

Wisconsin Medicaid's reimbursement methodologies differ from the methodologies of the federal Medicare program. Medicare designates a provider-based status to certain remote or satellite facilities that are not located in a DQA-licensed hospital. Facilities with a provider-based status (according to 42 CFR § 413.65) receive Medicare's hospital reimbursement rates. ForwardHealth does not recognize Medicare's provider-based designation for these facilities; therefore, services provided at these facilities are not reimbursed at Medicaid outpatient hospital rates.

Because ForwardHealth does not recognize Medicare's provider-based designation, claims submitted to ForwardHealth for services provided at these facilities may not be submitted using a hospital's National Provider Identifier (NPI). Claims submitted to ForwardHealth for services provided at a facility outside a Medicaid-enrolled and DQA-licensed hospital must be submitted using the NPI of that outside facility. For example, when a claim is submitted by a freestanding facility that is outside, but affiliated with, a Medicaid-enrolled hospital or located on the same property as a Medicaid-enrolled hospital, the billing provider's NPI for the freestanding facility must be indicated on the claim.

Providers are reminded that they are required to maintain Medicaid enrollment separately from the hospital, which includes maintaining a separate provider NPI, to be reimbursed for services provided in facilities outside hospital locations.

Information Regarding Managed Care Organizations

This *ForwardHealth Update* contains fee-for-service policy and applies to services members receive on a fee-for-service basis only. For managed care policy, contact the appropriate managed care organization. Managed care organizations are required to provide at least the same benefits as those provided under fee-for-service arrangements.

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

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health Services (DHS). The Wisconsin AIDS Drug Assistance Program and the Wisconsin Well Woman Program are administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at 800-947-9627 or visit our website at www.forwardhealth.wi.gov/.

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