wisconsin Medicaid update
department of health and family services

August 1998
POH 1613

Wisconsin Medicaid redesigns publications

Medicaid publications revamped to better meet providers' needs.

This new Update is part of Wisconsin Medicaid's plan to revise Medicaid publications to better meet the needs of providers.

You are looking at the new *Medicaid Update*. This new *Update* is part of Wisconsin Medicaid's plan to revise Medicaid publications to better meet the needs of providers. In addition, some Medicaid publications will be available via the Internet within the next few months at "www.dhfs.state.wi.us."

Wisconsin Medicaid revises provider Update

Changes are constantly occurring within Wisconsin Medicaid. To better meet your needs as a Medicaid provider, the new *Update* will be sent to you monthly and will include the following features:

- An outside "shell" containing general information applicable to all Medicaid providers. This section will include general program and helpful provider information.
- Service-specific inserts containing information applicable to certain Medicaid providers. Only those providers who need the information will receive *Update* inserts. Not all providers will receive service-specific information each month because services do not change every month. Keep service-specific inserts until you are issued a revised provider handbook.

This update includes:

Wisconsin Medicaid redesigns publications

Important information for timely prior authorization review and claims payment

Providers suggestions are welcome

We welcome your suggestions for *Update* topics. Please send your suggestions to the following address:

Medicaid Update
Bureau of Health Care Financing
Division of Health
Department of Health and Family Services
P.O. Box 309
Madison, WI 53701-0309

Wisconsin Medicaid revises Medicaid handbooks

In addition to the *Update* being revised, provider handbooks will also be revised. Existing handbooks will be converted into separate handbook sections covering such areas as billing, covered services, or prior authorization. Depending on the service, the handbook sections may be revised quarterly, biannually, or annually. The handbook sections will be designed for ease of use and cross-referencing of sources will be minimized. Information from *Updates* will be incorporated into appropriate handbook sections. However, DME/DMS Index revisions and pharmacy handbook revisions will continue to be mailed to providers on a quarterly basis.

Important information for timely prior authorization review and claims payment

This features general information about the prior authorization process.

According to HFS 101.03 (134), Wis. Admin. Code, prior authorization (PA) is defined as:

> Written authorization issued by the department to a provider prior to the provision of a service.
>
> **Note:** Some services are covered only if they are authorized by the department before they are provided. Some otherwise covered services must be authorized after certain thresholds have been reached.

Refer to HFS 107, Wis. Admin. Code, and Medicaid publications (updates, handbooks, and bulletins) for more specific information on when PA is required. The following are helpful hints for requesting PA.

Prior authorization process

Providers who fill out the PA request completely and accurately receive a PA decision typically within 10 working days (about two calendar weeks). The PA decision may be "approval," "approval with modification," "denial," or "return." When additional information is required, the PA request is marked "return" and sent back to the provider.

Providers are strongly encouraged to keep the recipient informed throughout the entire PA process. At the beginning of the process, discuss with the recipient the services being requested on the PA. Under HFS 107.02(3)(a), Wis. Admin. Code, when PA decisions are delayed due to the department's need to seek further information from the provider, the recipient shall be notified by the provider of the reason for the delay. In addition, the provider is to inform the recipient when the decision is made.

Prior authorization for home health agencies and independent nurses

Under HFS 105.16(10)(b)2 and HFS 105.19(5)(b), Wis. Admin. Code, home health agencies and independent nurses providing private duty nursing and intermittent nursing must fully inform their patients of all services to be provided by the nurse. Therefore, these agencies and nurses need to inform recipients about services being requested on a PA request and about any changes in services that this request represents.

Be sure to sign and date all PA forms, attachments, and other necessary documentation.

What to submit when requesting prior authorization

Wisconsin Medicaid requires providers to fill out service-specific PA request forms. These forms are found in Medicaid publications. In addition to PA request forms, PA attachment forms or other documentation may also be necessary to explain why a service is required. Providers may use the attachment forms included in Medicaid publications. Providers may create their own attachments as long as the created attachments contain all the information in the standard attachments, preferably in a similar format.

In addition to the PA request and attachment forms, providers must include additional information as indicated in the attachment instructions. This includes relevant information, such as prescriptions, plans of care, etc. It is helpful to include the PA number and recipient name on each page of the materials submitted.

How to fill out prior authorization forms

- Check the recipient's Medicaid ID card to be sure he or she is eligible for services. Be sure the correct recipient's ID number and name are on the forms.

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- Be sure the provider or designee signs and dates all appropriate PA request and attachment forms and other necessary documentation.
- Be sure the diagnosis code from *the International Classification of Diseases, Ninth Revision, Clinical Modification* (ICD-9-CM) is correctly indicated in appropriate elements of the PA request forms and attachment forms. Diagnosis codes are required of most providers.
- If using a rubber stamp for the provider's address or signature, make sure carbon copies of PA request forms are also stamped and legible.

Documenting recipient's condition

Providers are solely responsible for obtaining PA.

When submitting materials for PA approval, completely document the recipient's condition for the services requested. For example, a PA request for a wheelchair with special features – such as elevating leg rests or a tray – requires separate justification for each of the features. Documentation is inadequate when the medical need for the service is not described in detail.

Wisconsin Medicaid bases its decision on whether to approve a PA request solely on the information submitted when requesting PA. The more completely the recipient's condition is documented, the less likely the PA request and attachment forms will be returned to the provider.

Prior authorization reminders

Providers are solely responsible for obtaining PA. Wisconsin Medicaid may deny a PA request if the service provided is not a covered benefit or if the documentation does not support medical necessity.

If a provider renders a service that requires PA without first obtaining that authorization, the provider is responsible for the cost of the service and will not be reimbursed for the service by Wisconsin Medicaid, except in the case of provider or recipient retroactive eligibility, or emergencies. As stated in HFS 104.01 (12) (b), Wis. Admin. Code:

> When a service must be authorized by the department in order to be covered, the recipient may not be held liable by the certified provider unless the prior authorization was denied by the department and the recipient was informed of the recipient's personal liability before provision of the service. In that case the recipient may request a fair hearing. Negligence on the part of the certified provider in the prior authorization process shall not result in recipient liability.

Emergency services provided without prior authorization

Services which normally require PA must at times be performed without PA in emergency situations. Wisconsin Medicaid defines emergency services as "those services which are necessary to prevent the death or serious impairment of the health" of a recipient.

When it is necessary for a provider to perform a service on an emergency basis that normally requires PA, the following information must be indicated in the appropriate element of the billing claim form:

1. The proper procedure code and complete description of the emergency service(s) performed.
2. Emergency indicator.

Detailed information that describes the emergency circumstances and the service(s) performed must also be attached to the claim. Any

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service beyond the initial emergency service must be prior authorized if PA is required.

For additional information about emergency provisions, refer to page A8-004 of Part A, the all-provider handbook.

For more prior authorization information

Providers need to familiarize themselves with the PA requirements found in Medicaid publications. General guidelines for PA are outlined in HFS 107, Wis. Admin. Code, and Part A, the all-provider handbook. If the provider has employees assigned to fill out and submit PA requests, the provider needs to ensure the information is available to them.

Any provider with questions about how to fill out a PA request, or why a particular request was returned or denied, may call the Medicaid Correspondence Unit for policy and billing information at (800) 947-9627 or (608) 221-9883.

PA forms are revised occasionally. To obtain current forms, submit a written request to:

Form Reorder
EDS
6406 Bridge Road
Madison, WI 53784-0003

Future Updates will address more specific information on backdating limits and other issues related to PA.

The Wisconsin Medicaid Update is the first source for provider information including Medicaid policy and billing information.

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

For provider questions, call the Medicaid fiscal agent, EDS, at (800) 947-9627 or (608) 221-9883.