

DHFS reorganizes Division of Health

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Department of Health and Family Services Secretary Joe Leean announced that Governor Tommy Thompson approved the reorganization of the Division of Health into two separate entities, the Division of Public Health and the Division of Health Care Financing.

The Legislature authorized the reorganization last spring as Act 179.

"The growing size and complexity of the Division of Health's programs call for dividing it into two focused divisions," Leean said. He noted that his department recently added the Office of Health Information, the Women's Health campaign, tobacco issues, the immunization registry, BadgerCare, HIRSP (Health Insurance Risk Sharing Plan), managed care, and an aggressive Medicaid eligibility outreach effort.

Leean said the new Division of Public Health will provide increased visibility for public health issues and programs. Its elevation to division status parallels other states' public health programs. John Chapin, currently the Administrator of the Division of Health, will be the Division of Public Health Administrator.

The Division of Public Health is responsible for programs in the areas of environmental health,

occupational health, family and community health, emergency medical services, chronic diseases, and communicable diseases.

The new Division of Health Care Financing will focus department management and leadership on purchasing for value and results throughout the Medicaid program. This will enhance the department's ability to manage the public financing of programs providing individual health care coverage. "With an annual budget of \$2.5 billion, Medicaid is the second largest program in all of state government, making this designation as a division a logical move," Leean said.

Leean added that Peggy Bartels, the Bureau of Health Care Financing Director, will become the Administrator of the new division.

The Division of Health Care Financing is responsible for administering the Medicaid program, HIRSP, the Chronic Disease Program, the General Assistance Medical Program (GAMP), the WisconCare program, Social Security disability determination, and the BadgerCare program. In addition, the new Division will consolidate health care reporting functions enabling the Department to better monitor health care outcomes.

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How to read a Medicaid fee schedule

This advises providers how to read computer-generated Medicaid fee schedules. This is typical of fee schedules for most providers.

For most services, Wisconsin Medicaid reimburses providers the lesser of the billed amount or the maximum allowable fee established by the Department of Health and Family Services (DHFS). The amounts established by the DHFS are published in *fee schedules*, available to all providers and other interested parties.

The fee schedules list the maximum allowable fee for each procedure, procedure codes and descriptions, modifiers, types of service, and other reimbursement information. Each fee schedule begins with a table that explains the fields (categories) on the fee schedule including pricing action codes (PACs), types of service, effective dates, modifiers, and other elements of the schedule.

Using fee schedules: reminders

When using the fee schedules, remember the following:

- HMOs negotiate rates with their individual providers, and these rates may differ from Wisconsin Medicaid's fee-for-service rates. Contact the HMO or check your contract with the HMO for their reimbursement rates.
- Wisconsin Medicaid requires most providers to bill their usual and customary charge for services provided to Medicaid recipients. Therefore, providers should not use the fee schedules to set their rates. "Usual and customary charge" means the provider's charge for providing the same service to persons not entitled to Medicaid benefits.

- Reimbursement rates may change during the year. Wisconsin Medicaid notifies providers of significant rate changes.
- Different areas of a provider's office, such as billing and medical services, may have different uses for these fee schedules. Please share these schedules with appropriate staff.

Obtaining fee schedules

To order fee schedules, use the attached revised Appendix 38 of Part A, the all-provider handbook. Providers and others also may download fee schedules at no cost through the EDS-EPIX bulletin board. The EDS-EPIX bulletin board is a computer system accessible by modem that allows providers to receive software, manuals, and formats directly through their computers. Fee schedules are not yet available on the Internet.

For downloading instructions, see Appendix 11 of Part A, the all-provider handbook. Appendix 11 is a quick guide to retrieving Wisconsin Medicaid fee schedules using EDS-EPIX. To receive personal assistance or the complete EDS-EPIX User Manual, call the Medicaid fiscal agent, EDS, at (608) 221-4746, and ask for the Electronic Media Claims (EMC) Department. ✦

The fee schedules list the maximum allowable fee for each procedure, procedure codes and descriptions, modifiers, types of service, and other reimbursement information.

Not all fee schedules appear the same. The following fee schedules are created separately and, therefore, do not look like the example shown on the following page:

- Case management.
- Community support program.
- Crisis intervention.
- Disposable medical supplies.
- Durable medical equipment.
- Mental health/AODA (non-51.42 board-operated clinics).
- Prenatal care coordination.
- Pharmacy drug microfiche.
- School-based services.
- Tuberculosis-related services.

How to read a fee schedule: an example

PHYSICIANS MAXIMUM ALLOWABLE FEE SCHEDULE

TOS/PROC/M1/M2	DESCRIPTION	PAC	EFFECT DATE	RVSU	NON PRIMARY CARE	PRIMARY CARE	PHYSICIAN ASSISTANT		
1	2	3	4	5	6	7	8	9	10
1-99204-HK	OFFICE/OP VISIT-NEW PATIENT:COMPREHENSIVE HIST/EXAM. MED DECISION-MOD-C	270	060197		58.98	60.76			

1. "1" is the type of service (TOS). Allowable types of service will vary, depending on the procedure code and the kind of provider. Sometimes a single procedure code appears on a fee schedule multiple times, but with a different TOS each time. When looking for a maximum allowable fee, be sure to match both the procedure code and the TOS. Refer to your provider-specific publications for a list of applicable types of service.
 2. "99204" is the procedure code. Local codes are included in the fee schedules.
 3. "HK" is the modifier. Modifiers always have two characters. See your provider-specific publications for appropriate modifiers. Modifiers sometimes affect reimbursement, so it is important to use modifiers correctly.
 4. "Office/OP visit..." describes the procedure code.
 5. "270" is the pricing action code (PAC). It explains the method of pricing. The "270" PAC means providers are paid at the lower of the billed amount or the fee appropriate to their provider type. Another common PAC, "21J," means a medical consultant has reviewed the service individually and determined coverage and reimbursement.
 6. "060197" means this maximum allowable fee applies for dates of service on and after June 1, 1997. This date is called the effective date.
 7. Relative value scale units (RVSUs) apply to anesthesia and mental health services. If the service is not a mental health or anesthesia service, the field is left blank.
 8. "58.98" is the Medicaid maximum allowable fee paid to non-primary care providers.
 9. "60.76" is the Medicaid maximum allowable fee paid to primary care providers.
- Note:* Often a procedure code appears without a maximum allowable fee in the non-primary care or primary care fields. Refer to the PAC to understand the method of pricing.
10. This field displays the maximum allowable fee paid to physician assistants. If this field is blank, the maximum allowable fee is 90% of the primary care fee.

The above fee schedule is an instructional example only. Refer to your provider-specific fee schedule for current reimbursement amounts. Explanations for fee schedule contents also are located on the first two pages of each fee schedule.

Wisconsin Medicaid expands Automated Voice Response system for providers

AVR Quick Reference Card is enclosed.

Wisconsin Medicaid will soon complete its enhancements to the Automated Voice Response (AVR) system, a computerized service accessed through touch-tone telephones. It will give providers direct access to a maximum of six months of eligibility information for recipients who had eligibility within the last year.

The enhanced AVR system will:

- Have new, easy-to-follow prompts.
- Have more toll-free phone lines added to assist with increased call volume. Out-of-state providers will have access to these toll-free lines.
- Be available day and night, seven days a week.
- Provide a transaction log number on each eligibility inquiry. *Retain this transaction log number. It is proof that you inquired about the recipient's eligibility. The enhanced AVR system will issue a*

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"I want to assure the public and the employees of this department that this reorganization will be achieved with a quick transition and will improve service," Leean said. "I believe that this is an opportunity for all of us to participate in the development of two excellent organizations that will provide more effective support to the citizens of Wisconsin."

The reorganization took effect September 28, 1998. ✦

transaction log number every time you check eligibility, even when you learn that someone is NOT Medicaid eligible. If you feel a claim was denied in error, you can give the transaction log number to Wisconsin Medicaid's fiscal agent, EDS, to determine what eligibility response was actually given to you.

- Offer information on claim status inquiry and prior authorization inquiry.

Once the enhanced AVR system is available, call 1-800-WIS-ELIG (947-3544) or (608) 221-4247 to access it. An AVR Quick Reference Card is enclosed. ✦

Electronic Claims Submission

Benefits of ECS:

- improved cash flow
- reduced clerical effort
- flexible submission methods
- adaptability to existing systems
- efficient and timely payments

The automatic solution to your Medicaid claims processing problems.

For more information, call EDS at (608) 221-4746 and ask for the Electronic Media Claims Department.

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

Wisconsin Medicaid is administered by the Division of Health Care Financing, 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.