Nevada Medicaid News

Second Quarter/Spring 2007
Volume 4, Issue 2

Don't Miss Out:

Free "All Provider" Workshops this Summer

First Health Services and the Division of Health Care Financing and Policy are hosting "All Provider" Workshops this summer in Reno (July 11 and 12), Las Vegas (Aug. 8 and 9) and Elko (Aug. 22 and 23).

Sessions for all providers will cover: the National Provider Identifier/Atypical Provider Identifier, electronic data interchange, electronic verification, recipient eligibility, third party liability, prior authorization, claim submission tips, and submitting appeals, adjustments and voids.

Break-out sessions will be held for provider types (PT): Dentist (PT 22), Nursing Facility including PASRR and Level of Care (PT 19), Payerpath presentation (all providers), Waivers (PT 57,58,59), Behavioral Health (PT 14,61,82), Home Health /Private Duty Nursing (PT 29), Hospital/ASC/ESRD Facility (PT 10 ,11,12,13,42,44,45,46, 55,56,63,75), Anesthesia, Physicians, EPSDT, CRNP, Radiology, Obstetrical/Midwife and Special Clinics (PT 17,20,24,27,74,77).

Registration is required. The "All Provider" Workshop Registration Form (FH-42) and the 2007 Nevada Medicaid and Nevada Check Up Provider Training Catalog are posted at https://medicaid.nv.gov.

Providers may also attend comprehensive training offered throughout the year that focuses on new claim forms, new providers and specific service types. The catalog lists class schedules, descriptions, locations and registration details.

First Health Services Corporation®
A Coventry Health Care Company
Nevada Medicaid and Nevada Check Up
Fiscal Agent
P.O. Box 30042
Reno, NV 89520-3042
(877) 638-3472

Urgent Notices

Claim Forms:

Beginning June 1, 2007, all claims received at First Health Services must now be submitted on the new claim forms: CMS-1500 (version 08/05), UB-04 or ADA 2006.

Please review the current claim form instructions posted at https://medicaid.nv.gov for the requirements for each field of the forms.

Contingency Plan for NPI/API:

The Nevada Division of Health Care Financing and Policy (DHCFP) has chosen to implement a contingency plan for the National Provider Identifier/Atypical Provider Identifier (NPI/API). Providers will be notified of the ending date of the contingency period at which time NPI/API will be required. Please review the Web Announcements posted at https://medicaid.nv.gov on a weekly basis for updated information.

Until further notice, providers may enter **either** their Provider Medicaid Number or their NPI/API in the appropriate fields on Nevada Medicaid/Nevada Check Up claims. This applies to both paper and electronic claims.

Important note: If NPI/API is used on the claim, then the entire claim must be NPI compliant. For example, if you enter NPI for "Rendering/Servicing Provider ID," you must enter NPI (not Provider Medicaid Number) for "Billing Provider." The DHCFP and First Health Services strongly urge providers to begin using their NPI immediately to ensure smooth transition to full implementation.

If you have not already done so, please report your NPI and Taxonomy Code(s) to First Health Services by completing and mailing the Provider Information Change Form (FH-33) (at https://medicaid.nv.gov select "Forms" from the "Providers" menu).

NPI on Pharmacy Claims:

As of May 23, 2007, the DHCFP now requires pharmacy providers to enter the **pharmacy's (not pharmacist's)** National Provider Identifier (NPI) on Nevada Medicaid/Nevada Check Up claims, instead of the Provider Medicaid Number.

Additionally, when entering the **prescriber's ID**, pharmacy providers may continue to enter the prescriber's Provider Medicaid Number or may enter the prescriber's NPI until further notice. Ultimately, only the prescriber's NPI will be allowed.

For more details and transaction instructions, see the notice titled "NPI Required on Nevada Medicaid/Nevada Check Up Claims May 23, 2007" posted on the "Pharmacy Announcements/Meetings" page at https://medicaid.nv.gov.

CONTENTS:

National Drug Codes Page 2
Pharmacy News Page 2
Message on Prevention Page 2
Integrity Program Page 3
PERM Notification Page 3
Online Tools back cover

NDC will be Required on CMS and UB Claims when Billing for Office-Administered Drugs

The federal Deficit Reduction Act (DRA) of 2005 requires State Medicaid programs to collect National Drug Code (NDC) information on claims for drugs administered in an office setting. This requirement will facilitate Nevada Medicaid's recovery of drug manufacturer rebates.

CMS Billers: The Division of Health Care Financing and Policy and First Health Services asked CMS-1500 billers to begin submitting (in January 2007) both the Healthcare Comm on Procedure Coding System (HCPCS) code and the NDC when billing for physician/office-administered drugs.

On the new CMS-1500 version 08/05 claim form, enter the NDC (one per claim line) in the top, shaded half of Field 24D and enter the HCPCS code (one per claim line) in the bottom, white half of Field 24D. **Do not enter NDC quantities until 2008.**

The complete CMS-1500 Claim Form Instructions are posted at https://medicaid.nv.gov (select "Billing Information" from the "Providers" menu). During 2007, HCPCS codes and billing units, not NDCs, will be used for claims payment purposes.

UB Billers: The instructions for entering NDC on UB claim forms have not yet been determined. Providers will be notified as soon as this information is available. Please review Web Announcements at https://medicaid.nv.gov weekly for updates.

Claims received at First Health Services on and after **Jan. 1, 2008,** for office-administered drugs without corresponding NDCs will be denied.

PHARMACY NEWS…

Pharmacy Provider Training: Free Pharmacy Provider Forums and Pharmacy Provider Training sessions have been scheduled in Reno, Las Vegas and Elko.

The Provider Forums present updates to the top billing issues facing Nevada Medicaid/Nevada Check Up pharmacy providers and present the opportunity to ask questions concerning these issues. The Provider Training classes cover point-of-sale claim processing, drug coverage and limitations, Medicare covered drugs and Multi-Ingredient Compound (MIC) claims.

The 2007 Nevada Medicaid and Nevada Check Up Provider Training Catalog (at https://medicaid.nv.gov select "Provider Training" from the "Providers" menu) lists the dates, times, locations and registration information for forums and classes.

Updates and Information Online: Visit the Nevada Medicaid website weekly for updates to the Preferred Drug List; the 2007 Meeting Schedule for the Drug Use Review (DUR) Board and the Pharmacy & Therapeutics Committee; and results from the Annual Preferred Drug List Review (scheduled for June 21, 2007). Select the appropriate topics posted under the "Pharmacy" menu at https://medicaid.nv.gov.

CONTACT INFORMATION

If you have a question concerning the manner in which a claim was adjudicated, please contact First Health Services by calling (877) 638-3472 or e-mailing: nevadamedicaid@fhsc.com.

If you have questions about Medicaid Service Policy or Rates, you can go the Division of Health Care Financing and Policy (DHCFP) website: www.dhcfp.state.nv.us and look for the item labeled: Contact Information. Move your cursor to that item and follow the directions to find the person at DHCFP who can answer your question. You can either phone the contact person or send an e-mail.

Quarterly Update on Claims Paid

Nevada Medicaid and Nevada Check Up paid out to providers $287,481,183.25 in claims during the three-month period of January, February and March 2007. Nearly 100 percent of current claims continue to be adjudicated within 30 days. The DHCFP and First Health Serrvices thank you for participating in Nevada Medicaid and Nevada Check Up.

A Message from DHCFP Regarding Prevention

Human Papillomavirus Vaccine

Medicaid would like to invite you to join with us as we strive to heighten the awareness of the Human Papillomavirus (HPV) Vaccine. In the United States, approximately 10,000 women are diagnosed with cervical cancer every year, and an average of 10 women die each day from the disease.

On June 8, 2006, the U.S. Food and Drug Administration (FDA) approved Human Papillomavirus (Types 6, 11, 16 and 18) Recombinant Vaccine, which is the first and only vaccine to prevent cervical cancer and vulvar and vaginal pre-cancers caused by HPV types 16 and 18 and to prevent low-grade and pre-cancerous lesions and genital warts caused by HPV types 6, 11, 16 and 18.

The HPV vaccine is available to all Medicaid-eligible females 9 to 26 years old based on the FDA-approved indications.

Family Planning Services

State and federal regulations grant the right for eligible Medicaid recipients of either sex of child-bearing age to receive family planning services provided by any participating clinic, physician, physician's assistant, nurse practitioner, certified nurse midwife or pharmacy.

Family Planning Services and supplies are for the primary purpose of preventing and/or spacing pregnancies.

For more information, see the Division of Health Care Financing and Policy's Medicaid Services Manual, Chapter 600, Section 603.3 Family Planning Services.

The Medicaid Integrity Program: *Enhancing the Federal Government's Role in Combating Medicaid Fraud, Waste and Abuse*

What MIP Is and Does:

The Medicaid Integrity Program (MIP), established by the Deficit Reduction Act (DRA) of 2005, is the Centers for Medicare & Medicaid Services' (CMS) first national strategy to combat Medicaid fraud, waste and abuse.

Through the DRA, Congress provided CMS with resources to enhance its leadership role in the prevention, earlier detection and reduction of fraud, waste and abuse in the $300 billion Medicaid program. The MIP offers a unique opportunity to identify, recover and prevent inappropriate Medicaid payments. It also supports the efforts of State Medicaid agencies through a combination of oversight and technical assistance activities.

While CMS has a wealth of experience in the financial management of the Medicaid program, the auditing of those who provide direct services to Medicaid recipients has always been the responsibility of the States. With the new MIP, CMS now has greater responsibility to promote the fiscal integrity of Medicaid program funds and improve Medicaid integrity performance nationally.

Specific activities of the MIP include: Medicaid Integrity Contracting, which encompasses reviewing the actions of Medicaid providers, conducting audits of Medicaid claims, identifying overpayments, and educating providers and others on payment integrity and quality of care; and State Program Integrity Operations, which includes providing support and assistance to States to improve Medicaid integrity activities and conducting oversight of State Medicaid integrity programs.

What Providers Need to Know and Do:

CMS and its federal and state partners are committed to combating Medicaid fraud, waste and abuse. CMS recognizes the important role of the provider community in identifying potentially fraudulent practices in their respective industries. Medicaid fraud, waste and abuse can take many forms, such as:

- Billing for services not provided;
- Billing for a higher level service than was actually performed. This is often called "up-coding";
- Submitting a claim under one patient's name when services were actually provided to another person, usually a non-Medicaid eligible patient;
- Altering claim forms and patient records;
- Billing for non-covered services as if they were covered services;
- Changing the date of service on a claim form so it falls within a patient's benefit period; and/or
- Performing services that are not authorized or not medically necessary.

To comply with the MIP, Medicaid providers may be asked to engage in activities such as:

- Self-assessments of claims records and billing practices (i.e., provider self-audits);
- Examinations of existing compliance programs, policies and procedures; and/or
- Participation in Medicaid Integrity Contractor (MIC) audits.

Providers may send questions or requests for additional information about MIP to: Medicaid_Integrity_Program@cms.hhs.gov.

Payment Error Rate Measurement (PERM) Notification

The Division of Health Care Financing and Policy (DHCFP) wants to inform all Nevada Medicaid and Nevada Check Up health care providers of the upcoming Payment Error Rate Measurement (PERM) audit. PERM is a federally mandated program administered by the Centers for Medicare & Medicaid Services (CMS). All states will undergo a PERM audit once every three years.

At the conclusion of each annual audit, CMS will calculate state and national error rates and this information, along with a comprehensive corrective action report, will be presented to Congress.

The PERM audit will review a random sample of Medicaid and Nevada Check Up fee-for-service and managed care claims paid by the DHCFP during federal fiscal year 2008 (October 2007 through September 2008).

CMS is utilizing federal contractors to conduct the claims processing and medical record review portions of the audit. These reviews will determine whether or not the sampled claims were paid accurately and in accordance with federal and state policies. Managed care capitation payments will undergo a claims processing review only. The PERM audit also includes an eligibility review component, which will be conducted by the Division of Welfare and Supportive Services.

During the first few months of 2008, federal contractors will begin the process of contacting Nevada Medicaid and Nevada Check Up providers for documentation about the sampled claim(s) under review. The medical records request is a permitted disclosure under Health Insurance Portability and Accountability Act (HIPAA) privacy regulations, as well as a mandatory compliance statement contained in all provider agreements with the DHCFP. Providers must submit all necessary documentation to substantiate the claim(s) billed to and paid by the DHCFP within ninety (90) days of the initial request for documentation.

Failure to submit any documentation or submittal of insufficent documentation, within the 90-day time frame, will result in the claim(s) being designated an error or an improper payment. The federal share of all improper payments discovered during the course of these reviews must be returned to CMS by the DHCFP. The DHCFP will recover all provider-related errors or improper payments discovered during the PERM audit from the provider.

For further information about the federal PERM program, visit: http://www.cms-perm.org/index.php/perm.

Nevada Medicaid News

Online Tools to Make Your Job Easier

User Administration Console: First Health Services has developed a free, innovative web-based registration and user management tool for Nevada Medicaid/Nevada Check Up providers who use the Electronic Verification System (EVS), the Online Prior Authorization System (OPAS) and Pharmacy Web PA, the system coming soon for providers who submit prior authorization (PA) requests for prescription drugs.

The User Administration Console (UAC), which will be available soon at https://medicaid.nv.gov, is an application that puts the control and maintenance of user access in the hands of the organization (provider). Access to UAC is obtained through a secure registration request and Personal Identification Number (PIN) registration process. Instead of requesting access for each staff member through First Health Services, each provider will choose a Delegated Administrator who will register through UAC and be responsible for creating users, granting users appropriate access to EVS, OPAS and/or Pharmacy Web PA, and also creating secondary administrators (Local Administrators) to assist with managing the users for sizeable organizations.

Existing EVS/OPAS users may continue to use their existing user ID(s) to access EVS/OPAS.

OPAS Now Serves Additional Provider Types: First Health Services' Online Prior Authorization System (OPAS) continues to expand to be available to more provider types. OPAS is a valuable, HIPAA-compliant tool some providers are using to facilitate prior authorization (PA) requests and tracking. Providers can submit PA requests through a secure website instead of faxing or mailing requests. OPAS provides 24/7 access, quicker responses for insufficient information and reduction of provider overhead.

Providers recently invited to register to use OPAS include those who request PASRR Level 1 and Level of Care screenings.

In the near future, the system will be available to the following provider types (PT) who submit PA requests: Psychiatric Hospital, Inpatient (PT 13), Physician, M.D., Osteopath (PT 20 Specialties 146 Psychiatry and 147 Psychiatry-Child), Psychologist (PT 26) and Residential Treatment Centers (RTC) (PT 63). These providers, who will receive an invitation to register for OPAS in the coming weeks, will use the above-mentioned UAC to complete the registration process.

Additional information and updates on UAC, OPAS and submitting online PA requests for prescription drugs will be posted at https://medicaid.nv.gov.

Visit **https://medicaid.nv.gov** weekly for important updates & information

First Health Services Corporation
A Coventry Health Care Company
Nevada Medicaid and Nevada Check Up
Fiscal Agent
P.O. Box 30042
Reno, NV 89520-3042