



State of New Jersey  
Department of Human Services  
Division of Medical Assistance & Health Services

# NEWSLETTER

Volume 14 No. 8

February 2004

**TO:** Physicians, Certified Nurse Practitioners, Clinical Nurse Specialists, Independent Clinics, and Federally Qualified Health Centers (FQHCs) – **For Action**  
Health Maintenance Organizations - **For Information Only**

**SUBJECT:** EPSDT Incentive Payments

**EFFECTIVE:** Immediately

**PURPOSE:** To notify Medicaid/NJ FamilyCare Fee-for-Service (FFS) providers regarding the requirements for billing Early and Periodic Screening, Diagnosis and Treatment (EPSDT) incentive payment claims for EPSDT screening examinations provided to FFS Medicaid/NJ FamilyCare beneficiaries under 21 years of age.

**BACKGROUND:** The New Jersey Division of Medical Assistance and Health Services (DMAHS) requires that all FFS Medicaid/NJ FamilyCare beneficiaries under 21 years of age receive EPSDT screening examinations. The goal of EPSDT is to ensure that each eligible individual receives appropriate preventive care and that any defects are identified, diagnosed and treated at the earliest age possible. Further details concerning the components of the EPSDT screening examination may be found in the Medicaid Newsletter Volume 10, No. 64, dated August 2000.

Annually, the State must report to the federal government those individuals who have received EPSDT screening examinations. The Division believes individuals under 21 years of age receive more screening examinations than are actually reported. Many physicians do not report or inappropriately report these examinations to the Medicaid FFS program. As a result, EPSDT statistics reported to the federal government are understated suggesting a lower quality of care for Medicaid beneficiaries under 21 years of age in the State of New Jersey.

To encourage physicians and other health care professionals to report EPSDT screening examinations to the State, DMAHS provides an incentive payment for each EPSDT screening examination reported on claims submitted to the Medicaid/NJ FamilyCare FFS program. The purpose of reinforcing the requirements for requesting incentive payments is to ensure that incentives are appropriately paid for EPSDT screening examinations provided to EPSDT-eligible beneficiaries.

**ACTION:** **Effective immediately**, an incentive payment claim must be linked to an EPSDT screening examination claim billed for services provided to an EPSDT-eligible beneficiary. **The incentive payment shall be reimbursed by the Medicaid/NJ FamilyCare FFS program only when an EPSDT/HealthStart screening examination claim is billed with the same service date as the incentive payment claim using procedure code W9828.** The incentive payment will continue to be paid each time an appropriate EPSDT/HealthStart HCPCS procedure code is reported on the *Form MC-19 Report and Claim for EPSDT/HealthStart Screening and Related Procedures*.

Current EPSDT/HealthStart screening examination procedure codes include W9060 through W9068, W9820, and W9060 WT through W9068 WT. **These procedure codes will be subject to change to ensure compliance with the Health Insurance Portability and Accountability Act (HIPAA) coding standards. Providers will be advised further concerning these changes in a subsequent Medicaid Newsletter.**

Incentive payment claims (i.e. W9828) not linked to a related EPSDT/HealthStart screening examination claim by service date will be pended by Error Code 516, "No EPSDT-related service provided on the same date of service." Unisys will automatically recycle the incentive payment claim for a period of thirty (30) days searching for the related EPSDT/HealthStart screening examination claim with the same date of service. If the related EPSDT/HealthStart screening examination claim is not found, the incentive payment claim billed using W9828 will be denied payment by Error Code 516.

EPSDT/HealthStart FFS providers are reminded that the only acceptable claim form for requesting the incentive payment and payments for EPSDT/HealthStart-related services is the EPSDT claim form or *Form MC-19*. These claims billed using the incorrect claim form, such as the CMS 1500 claim form, will be denied payment by Edit 247, "HCPCS procedure code on claim conflicts with claim type."

If you have any questions regarding this Newsletter, please contact the DMAHS Maternal and Child Health Unit at (609) 588-2718.

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