

TO: Medical Suppliers
Providers of Prosthetic and Orthotic Services

SUBJECT: Assignment of the New HCPCS Procedure Code "X0002" and the Narrative Description "Partial Payment Reconciliation"

EFFECTIVE: Immediately through October 31, 1992

BACKGROUND: In response to concerns expressed by medical suppliers and providers of prosthetic and orthotic services, the Division of Medical Assistance and Health Services has assigned a new HCPCS procedure code. The new code will facilitate the processing of partially reconciled claim forms which had been originally submitted to and only partially reconciled by The Prudential Insurance Company of America. The new procedure described below will allow providers to bill Medicaid, through Paramax/Unisys, for individual claim lines previously submitted to Prudential on the 1500 N.J. claim form (Health Insurance Claim Form) which were not paid by Prudential and avoid a duplicate claim determination by the New Jersey Medicaid Management Information System (NJMMIS).

ACTION: Providers are instructed to submit a new 1500 N.J. claim form to Paramax/Unisys, completed as described in the Fiscal Agent Billing Supplement. Enter the new procedure code "X0002" and the narrative "Partial Payment Reconciliation" only once in field 24D of the 1500 N.J. claim form. The total charge for the entire previously submitted 1500 N.J. claim form must be entered in Field 24G on the new 1500 N.J. claim form. A copy of the partially reconciled 1500 N.J. claim form previously submitted to Prudential and the corresponding invoice(s) and/or price list(s) which are appropriate for the date of service, must be attached to the new 1500 N.J. claim form. This interim billing procedure is effective only through October 31, 1992.

Please submit these claims to:

Paramax/Unisys
Resolution Unit (A)
3705 Quakerbride Road
Trenton, NJ 08619

NOTE: It is the responsibility of the provider to attach documentation of the previously submitted 1500 N.J. claim form and of the partial payment made by Prudential. The failure of a provider to adequately provide this documentation to Paramax/Unisys will result in unnecessary delay in payment and/or denial of the claim.

CAUTION: Do not use HCPCS procedure code "X0002" for the following billing situations:

1. To adjust manually priced claims paid in an amount in accord with the Medicaid Fee Schedule, but less than the provider's cost.
2. Current claims submitted to Paramax/Unisys with a date of service subsequent to November 29, 1991.
3. Lost claims (see New Jersey Medicaid Program Newsletter Volume 2 No. 22).

The use of HCPCS procedure code X0002 is strictly limited to partial payment reconciliation.

If you have any questions regarding this newsletter, please contact the Chief Pharmacy Consultant, Division of Medical Assistance and Health Services, at (609) 588-2724.