



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

# NEWSLETTER

Volume 22 No. 10

July 2012

**TO:** Hospital Finance, Accounting, Billing and Utilization Review Offices- Only applicable to New Jersey, New York and Pennsylvania DRG Hospitals

**SUBJECT:** Revised billing instructions for Hospital Readmission Claims

**EFFECTIVE:** October 1, 2011

**PURPOSE:** The purpose of this Newsletter is to provide UB04 billing instructions to the Acute Care Hospital community for Medicaid and NJ FamilyCare fee-for-service claims that are considered 'readmission' claims as defined in 10:52-14.16. In addition to re-iterating the use of occurrence span codes when submitting combined readmission claims, for claims with admission dates on or after the above effective date, DMAHS requires the reporting of revenue code 180 with associated units for the dates that the beneficiary is not in the facility between two stays. Charges are not required when reporting revenue code 180.

**BACKGROUND:** As announced in Newsletter Volume 20, #20, released September 2010, the New Jersey Division of Medical Assistance and Health Services (DMAHS) began full processing of the UB04 claim form. This Newsletter introduced certain additions and deletions to the allowed occurrence code and occurrence span code data that effect the submission of 'readmission' claims.

**ACTION:** When a denial is received for edit 919 (NJ facility), 920(PA facility) or 924(NY facility), the previously paid claim must be voided or adjusted by the provider and resubmitted to the fiscal agent, combining charges for both hospital stays, regardless of the effect on reimbursement. Voids and adjustments must be completed in accordance with the Adjustment Request Form (FD999) instructions. A void and re-submit is the recommended action. An example of the combined claim is attached.

On the UB04 claim form use occurrence span code 74 in Form Locators 35-36. The associated date span should represent the discharge date of stay #1 and the readmission date of stay #2.

The days represented in Form Locators 35-36 are not reported as room and board days, but are reported using revenue code 180 with the number of units equal to the number of days the beneficiary was not in the facility.

New Jersey DRG hospitals which are non-delegated for Utilization Review (UR) and disagree with the above-mentioned denial must request and appeal through the State's contracted vender for UR, currently Permedion HMS. Hospitals which are delegated for utilization review and disagree with the above-mentioned denial must request an appeal through their hospital's appeal process with the hospital's final appeal decision rendered by the Physician Advisor (PA). If an appeal is approved by the UR vender or the PA, the claim must be submitted along with the approval and the discharge summaries from both the paid and denied claim, to Molina, the State's fiscal agent, in writing, on the UR vender or hospital letterhead and include the client's name, eligibility identification number, dates of service for the denied claim, provider name and provider number, and an original signature of the hospital's PA or UR vender representative.

New York and Pennsylvania DRG hospitals, which disagree with the above-mentioned denials, must submit an appeal request with the claim and the equivalent to the appeal letter described above for New Jersey facilities along with the discharge summaries from both the paid and denied claims and any other needed attachments in writing to the address below:

NJ DHS DMAHS  
Hospital Discharge Readmit Appeals – Room 302  
PO Box 712  
Trenton, NJ 08625-0712

For further information regarding this Newsletter, please contact Molina, the State's fiscal agent, Provider Services Unit at 1-800-776-6334.

**RETAIN THIS NEWSLETTER FOR FUTURE REFERENCE**

