

TO: Chief Executive Officer - Hospitals

(ROUTE TO: Accounting, Finance and Billing Offices)

SUBJECT: MEDICAID Hospital Inpatient Claims - MEDICARE Part A  
Services Non-Covered

EFFECTIVE: Immediately

PURPOSE: To clarify the policy of the New Jersey Medicaid program  
"exhausted."

BACKGROUND: Under the current design of the New Jersey Medicaid  
Management Information System (NJMMIS), hospital inpatient claims  
for services provided to patients who are eligible for both  
benefits are either not available or are "exhausted."

ACTION: A. For Claims With Discharges on or Before May 31, 1993

1. Hospitals must submit their claim on one UB-82 claim form for the deductible(s) and/or coinsurance(s) applied by Part A and/or Part B, if Part A is not available or "exhausted." The NJMMIS recognizes and reports this type of claim as an institutional (hospital) crossover claim.
2. Charges that are non-covered by Part A and/or Part B must be submitted on a UB-82 claim form separate from the claim form on which the Part A and/or Part B deductible(s)/coinsurance(s) are billed. The NJMMIS recognizes and reports this type of claim as a Medicaid claim with Medicare as a form of Third Party Resource coverage.
3. Do not combine on one UB-82 claim form, those charges non-covered by Medicare and those amounts applied by Medicare to the deductible/coinsurance.

4. In these situations, where hospitals must submit as two claims, to facilitate the processing of these claims, hospitals must enter Condition Code 80 in FIELD 35-39. With the approval of the New Jersey Department of Health, Medicaid has designated Condition Code 80 in order to differentiate the one claim from the other.
5. Condition Code 80 is defined as a "Medicaid claim for Medicare deductible(s) and/or coinsurance(s) when Part A benefits are either not available or are "exhausted." Condition Code 80 is applicable:
  - (a) To discharges on or before May 31, 1993;
  - (b) When Medicare Part A benefits are either not available
  - (c) When a hospital bills New Jersey Medicaid for
  - (d) When a hospital bills New Jersey Medicaid for charges non-covered by Medicare Part A and/or Part B.
6. Hospitals must enter Condition Code 80 on the claim for the deductible(s) and/or coinsurance(s) applied by Part A and/or Part B. Do not enter Condition Code 80 on the claim for the charges which are non-covered by Medicare.
7. All remaining fields on the UB-82 claim form must be completed in accord with instructions contained in the Medicaid Fiscal Agent Billing Supplement (Hospital Services Manual).

B. For Claims With Discharges On or After June 1, 1993

1. Hospitals must submit one UB-82 claim form and complete the
  - (a) Enter total charges in FIELD 53.
  - (b) Enter charges covered by primary payer in FIELD 54.
  - (c) Enter charges covered by secondary payer in FIELD 55.
  - (d) Enter charges covered by tertiary payer in FIELD 56.
  - (e) Enter any prior payment by the primary payer in FIELD 63A; by the secondary payer in FIELD 63B; by the tertiary payer in FIELD 63C.

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- (f) All remaining fields on the UB-82 claim form must be completed in accord with billing instructions.
- (g) If billing for a claim with more than three payers:

- i. Complete a second UB-82 claim form in its entirety;
- ii. Staple the two claim forms together; and
- iii. Attach to them all Medicaid required attachments, e.g., Medicare Part A and/or Part B Explanation of Medicare Benefits (EOMB).

Garden State Health Plan policies and procedures remain in effect.

Direct questions on this Newsletter to Paramax/Unisys, Provider Services Unit at 1-800-776-6334.

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(BLUE TAB MARKED "5")