



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

# NEWSLETTER

Volume 4 No. 32

August 1994

**TO:** Hospitals - Chief Executive Officer

**ROUTE TO:** Billing, Finance and Accounting Offices

**SUBJECT:** Claim Completion Instructions - Hospital Inpatient Claims - "Split Claims"

**EFFECTIVE:** Immediately

**PURPOSE:** The purpose of this Newsletter is two-fold:

1. To clarify the New Jersey Medicaid policy regarding payment to hospitals for inpatient stays during which Medicaid eligibility is established as of a **date subsequent to the date of admission**; and
2. To instruct hospitals on the proper completion of the claim on which the inpatient stay is billed.

**BACKGROUND:** Situations occur when a patient is admitted to a hospital and is determined eligible for Medicaid effective as of a date subsequent to the date of admission. As a result, not all charges for the hospital stay are covered by Medicaid because the date of Medicaid eligibility is **later than the date of admission**. When these situations occur, Medicaid reimbursement will be calculated based upon charges incurred during the eligible period only. Charges incurred during the ineligible portion of the hospital stay are not Medicaid reimbursable, unless coverage is pursued and approved via the retroactive eligibility process.

For **MEDICARE/MEDICAID** deductible/coinsurance crossover claims, Medicaid will **only** consider:

1. Payment for the blood deductible, not cash deductible; and
2. Payment for coinsurance amounts applied by **MEDICARE** to coinsurance days and lifetime reserve days.

**ACTION:** Hospitals must prepare the UB-92 claim form, as follows:

1. Complete the claim in accordance with the instructions contained in the Medicaid Fiscal Agent Billing Supplement (Transmittal 52 FA-1, October, 1993).
2. Particular attention **must** be given to the following:

**Form Locator 2:** Enter the respective number of days at the appropriate level of care for the **entire** hospital inpatient stay identified in the Form Locator 6 - "Statement Covers Period - From and Through."

**Form Locator 6:** Enter the "from" and "through" dates of service applicable to the entire hospital inpatient stay being billed.

**Form Locator 7:** For all hospitals, enter the number of covered days which must equal the total of Acute, SNF, ICF Days entered in **Form Locator 2**.

**Form Locator 8:** For all hospitals, enter the number of non-covered days which must equal the number of Residential Days entered in **Form Locator 2**.

**Form Locator 9:** For **MEDICARE/MEDICAID** crossover claims, enter the number of coinsurance days occurring after the 60th day and before the 91st day of the benefit period.

**Form Locator 10:** For **MEDICARE/MEDICAID** crossover claims, enter the number of lifetime reserve days to which the lifetime reserve days coinsurance is applied by **MEDICARE**.

**Form Locator 17:** Enter the date of admission.

**Form Locator 39-41:** Enter the value code and value code amount for the blood deductible. (Applicable only to **MEDICARE/MEDICAID** crossover claims.)

Enter the value code and value code amounts for coinsurance and lifetime reserve days.

(Applicable only to **MEDICARE/MEDICAID** crossover claims involving coinsurance amounts applied to coinsurance days and/or lifetime reserve days.)

The remaining **Form Locators** on the **UB-92** claim form must be completed in accordance with **Medicaid Transmittal 52, FA-1, October 1993**. Hospitals are permitted to resubmit inpatient claims previously denied for **NJMMIS EDIT CODE 301 - "Recipient Not Eligible On Dates of Service"**. Claims denied previously may now be resubmitted but must be accompanied with proof of having previously been submitted timely and completed in accordance with your **Fiscal Agent Billing Supplement** instructions. Send these claims to:

Unisys  
Provider Services Unit  
P.O. Box 4801  
Trenton, New Jersey 08650-4801  
**Attention: Split Claims**

These resubmitted claims must be received by Unisys not later than **October 31, 1994**.

Hospitals are reminded to pursue Medicaid eligibility at the time of admission, where appropriate, by either:

1. Preparing and forwarding a "Public Assistance Inquiry" (PA-1C); or
2. Contacting their county welfare agency (CWA) outstation workers for outstation hospital sites upon admission of potential Medicaid eligible.

(See Newsletter, Vol.3, No. 14, May 1993.)

Where an inquiry is not made in time to cover the date of admission, a client may be advised to pursue retroactive eligibility to determine Medicaid eligibility for the portion of the hospital inpatient stay prior to the determination of Medicaid eligibility.

3. When submitting "SPLIT CLAIMS" electronically, hospitals must complete the claim in accordance with their current EMC specifications, i.e., UB-82 format (NJMMIS) or UB-92 format (Version 4). Claims which must be submitted with proof of timely filing may not be submitted electronically because they are "hard copy" restricted.

When "SPLIT CLAIMS" are reimbursed by the New Jersey Medicaid program, Edit 620 -" Recipient Not Eligible for Full Service Period: Cutback" will be posted to the provider's Remittance Advice (RA).

For questions or further inquiries concerning this Newsletter, please contact the Medicaid fiscal agent, Unisys, at the Provider Services Unit, at 1-800-776-6334.

**RETAIN THIS NEWSLETTER NUMERICALLY BEHIND THE NEWSLETTER TAB  
(BLUE TAB MARKED "5")**