

TO: Hospitals - Chief Executive Officer

APPLICABLE: ONLY To Hospitals Which Provide

ROUTE TO: Hospital Billing, Accounting, and
Finance Offices

SUBJECT: Billing Procedures for Outpatient Partial Hospitali

EFFECTIVE: Immediately

BACKGROUND: The Division of Medical Assistance and Health Services is currently considering developing procedures to expedite processing of MEDICARE/MEDICAID claims for partial hospitalization services. In the interim, hospitals must use the instructions below when submitting claims for additional Medicaid reimbursement for partial hospitalization services rendered to patients who are both MEDICARE and MEDICAID eligible.

ACTION: For recipients who have **BOTH** MEDICARE and **MEDICARE's** instructions for the appropriate procedure for billing for partial hospitalization services. The MEDICARE Fiscal Intermediary will forward only the paid claims to the MEDICAID fiscal agent, Unisys, for consideration of MEDICAID payments of the deductible and coinsurance. In the event the MEDICARE/MEDICAID crossover claim does not appear on the Medicaid Remittance Advice (RA) within 45 days of receipt of the MEDICARE "Explanation of Medicare Benefits"(EOMB), the hospital should submit a UB-92 "hard copy" claim along with the EOMB to Medicaid for consideration of deductible and coinsurance charges. Hospitals will then be notified of any MEDICAID reimbursement via the Remittance Advice.

In instances where no other payers have been identified on a MEDICARE/MEDICAID partial hospitalization claim, but the MEDICAID third-party liability (TPL) file reflects additional insurance in effect on the date of service, the claim will be denied by MEDICAID for TPL. Providers must submit such claims to the appropriate TPL payer before submitting any requests to MEDICAID for additional reimbursement.

NOTE: Claims for additional Medicaid reimbursement must meet all timely filing requirements outlined in N.J.A.C. 10:49-7.2.

If, at the end of this process, hospitals find that the total reimbursement received from all payers, including Medicaid, is less than the amount which would have been received had the beneficiary not been Medicare eligible, hospitals may submit these claims to **MEDICAID** for consideration of any possible remaining balance.

(See instructions below)

INSTRUCTIONS FOR BALANCE BILLING

The following instructions pertain to the submission of claims to Medicaid for MEDICARE balance bill charges:

1. Submit a correctly completed **NEW** UB-92 claim form;
2. Indicate **Bill Type 131** in **Form Locator #04**;
3. Indicate **Condition Codes 41 and 85** in **Form Locator #24-30**;
4. Use **Revenue Code 912** in **Form Locator #42**, for all partial hospitalization charges;
5. Indicate **Clinic Code 28 (Partial Hospitalization)** in **Form Locator #43**;
6. **Form Locator #45** should contain the same dates of service as originally submitted on the claim to MEDICARE;
7. Enter total charges pertaining to related **Revenue Codes** in **Form Locator #47**;
8. Enter the total amount paid by MEDICARE, MEDICAID, and any TPL payers for this claim in **Form Locator #54A, 54B, and 54C** to correspond to the Payer Identification Code entered on **Line(s) # 50A, 50B, and 50C**;

9. Attach Medicare's "Explanation of Medicare Benefits" (EOMB) and/or Medicare's letter of denial, plus any other applicable third-party "Explanation of Benefits"(EOB) statements; and the Medicaid (Unisys) Remittance Advice (RA) for payment of coinsurance and deductible.

Claims which have been denied by Unisys for any deductible, coinsurance, non-covered and/or non-reimbursable charges with dates of service within the past 12 months, may be resubmitted by a hospital to Unisys with a copy of the "Explanation of Medicare Benefits (EOMB)" Part A and Part B, or Medicare's letter of denial (if applicable) and the MEDICAID Remittance Advice (RA).

Claims which have been denied by Unisys with dates of service greater than 12 months old, the hospital may submit the same material to the Division of Medical Assistance and Health Services, Fair Hearing Unit, Mail Code #3, CN 712, Trenton, New Jersey 08625-0712, for further consideration and/or Administrative Hearing.

Questions regarding proper billing procedures are to be directed to Unisys, the Medicaid fiscal agent, Provider Services Unit, at 1-800-776-6334.

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

