

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR**

ACTION REFERRAL

TO <i>Myers</i>	DATE <i>3-13-09</i>
--------------------	------------------------

DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>100503</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Cleaved 3/20/09, [Signature]</i> <i>attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>3-24-09</i> <input type="checkbox"/> FOIA DATE DUE _____ <input type="checkbox"/> Necessary Action

APPROVALS <small>(Only when prepared for director's signature)</small>	APPROVE	* DISAPPROVE <small>(Note reason for disapproval and return to preparer.)</small>	COMMENT
1.			
2.			
3.			
4.			

RECEIVED

MICHAEL WATSON RURAL HEALTH CLINIC

MAR 13 2009

**P. O. Box 528
Bamberg, SC 29003**
803-245-5144 (office) 803-245-6277 (fax)

Department of Health & Human Services
OFFICE OF THE DIRECTOR

William D. Glenn, M. D.

Leigh Wood, CNM
Lynn Glenn, ANP-C

Anna Burdette, CNM
Holly Gwaltney, FNP

March 11, 2009

**Emma Forkner, Director
P.O. Box 8206
Columbia, SC 29202-8206**

Dear Ms. Forkner:

I serve as manager for a Rural Health Clinic in Bamberg. I have a couple of problems that I have been unable to get resolved over the telephone and would like to address these to you to see if there is any way a correction can be made.

In the Billing Guidelines for Rural Health Clinics there is a list of exceptions to our encounter code. These include IUDs. Unfortunately, the Mirena IUD (J7302) was left off. I need to know if DHHS will allow the Mirena and if so how can we get the edit corrected in your system and get the information to the managed care companies.

Also, when the codes were listed for EPSDT screening the code 99395 (age 17-19) was left off. The last claim I tried to file to Medicaid using this code was denied. Again, the managed care companies use this manual for their policies. I need to know how the edit can be lifted and how I can get this information to the managed care companies.

I thank you for your attention to these matters.

Sincerely,



Laura Davis Hoffman

Billing Guidelines for Rural Health Clinics

Services of Rural Health Clinics/FQHCs are limited to the procedures specified below. Encounters codes are considered all-inclusive. All services provided for the encounter are included in your DHHS contract specific reimbursement rate for the encounter. The only fragmented services that can be billed separately are listed under "Exceptions" below, and will be reimbursed at the Medicaid fee schedule rate. All encounter codes and ancillary services listed in this section must be billed under the RHC provider number. If billing on paper please use the clinics provider identifiers in the 24j section of the claims form.

- All encounter codes and ancillary services listed must be billed under the RHC provider number
- The most appropriate encounter code must be billed based on the service(s) provided. All supplies, injections, surgical procedures, etc., are included in the encounter code reimbursement.
- All medical encounters must be billed using the procedure code T1015 unless otherwise specified. RHC providers will be reimbursed their contracted encounter rate and are allowed only one medical encounter per day, even if the patient sees more than one professional at the visit or on that day.
- All maternal encounters must be billed using code T1015, with a "TH" modifier.
- All psychiatric and counseling encounters must be billed using code T1015 with an "HE" modifier
- All HIV and AIDS related service encounters must be billed using code T1015, with a "P4" modifier
- All Family Planning encounters must be billed using code T1015 with an "FP" modifier.
- Adult physical exams are allowed. The patient must be 21 years of age or older. Encounter code T1015 should be billed for this service, in conjunction with diagnosis code V70.9.
- If you are an EPSTD provider, all EPSTD screenings must be billed using the appropriate CPT codes (99381 – 99385 and 99391 – 99394). A screening and Encounter code may NOT be billed on the same date of service. You will be reimbursed your DHHS contract specific rate
- All laboratory services must be billed to Medicaid under the Physicians Medicaid provider identification number. Laboratory services cannot be billed using your RHC provider number. If laboratory services are billed under the RHC provider number, services will be denied.
- **Exceptions**

Listed below are procedures that are considered special clinic services. If a medical encounter is billed in addition to one of the codes listed, documentation must clearly support the medical necessity for the encounter:

- J7300 – Paraguard IUD
- S4989 – Progestasert IUD

- **J1055** – Depo-Provera for family planning
- **J1950** – Leuprolide Acetate, per 3.75 mg
- **59025-TC** – Non-stress test, technical component
- **90657, 90658** – Influenza vaccine
- **90732** – Pneumococcal vaccine

Non-stress tests, EKGs, and x-rays performed in the center must be billed using the appropriate CPT-4 code with a TC modifier indicating the technical component only. The professional component is reimbursed through the encounter code. If referred to a radiologist, cardiologist, etc., for interpretation, their services are reimbursed separately following Medicaid policy for their specialty service.



State of South Carolina
Department of Health and Human Services

Mark Sanford
Governor

Emma Forkner
Director

March 20, 2009

Ms. Laura Davis Hoffman
Michael Watson Rural Health Clinic
Post Office Box 528
Bamberg, South Carolina 29003

Dear Ms. Hoffman:

Thank you for your recent letter concerning billing of the Mirena IUD and Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) screenings. We appreciate your taking the time to express your concerns.

The Mirena IUD, billed with Healthcare Common Procedure Coding System (HCPCS) code J7302, is a reimbursable service and was added to our system for the Rural Health Clinics (RHC's) in September 2008. The Physicians, Laboratories, and Other Medical Professionals Manual was updated to reflect this information at that time.

The EPSDT screening Current Procedural Terminology (CPT) code 99395 was added to our system as a billable code in May 2008. However, this information was inadvertently not updated in the RHC section of our manual until January 2009. A current updated copy of our manual is available on our web site at www.scdhhs.gov.

It is my understanding that you spoke with Mr. William Feagin, Team Leader, in the Division of Physicians Services, on March 18, 2009, concerning these codes, and that you will be forwarding claims to be reviewed to determine cause for denial. Your program manager, Ms. Martha Mitchell, or Mr. Feagin can be reached by calling (803) 898-2660 should you have any other problems with billing issues.

Thank you for your continued support of the South Carolina Medicaid program.

Sincerely,

Melanie "BZ" Giese, RN
Bureau Director

MGWf

Log # 503
✓