AUGUST, 2010 Volume 211

RHODE ISLAND MEDICAL ASSISTANCE PROGRAM

PROVIDER UPDATE

ALL PROVIDERS

DEPARTMENT OF HUMAN SERVICES 2010 HOLIDAY OBSERVANCES

Please find listed below the dates that the Department of Human Services will be closed.

Holiday	Observation Date
New Years	January 1, 2010
Martin Luther King	January 18, 2010
Memorial Day	May 31, 2010
Independence Day	July 5, 2010
Victory Day	August 9, 2010
Labor Day	September 6, 2010
Columbus Day	October 11, 2010
Election Day	November 2, 2010
Veteran's Day	November 11, 2010
Thanksgiving	November 25, 2010
Christmas	December 27, 2010

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STATE FISCAL YEAR 2011 FINANCIAL CALENDAR

Month	LTC Claims due at Noon	EMC Claims due by 5:00pm	EFT Payment
July	07/08/10	07/09/10	07/16/10
		07/23/10	07/30/10
August	08/05/10	08/06/10	08/13/10
		08/20/10	08/27/10
September		09/03/10	09/10/10
	09/09/10	09/10/10	09/17/10
		09/24/10	10/01/10
October	10/07/10	10/08/10	10/15/10
		10/22/10	10/29/10
November		11/05/10	11/12/10
	11/11/10	11/12/10	11/19/10
		11/26/10	12/03/10
December	12/09/10	12/10/10	12/17/10
		12/24/10	12/31/10
January	01/06/11	01/07/11	01/14/11
		01/21/11	01/28/11
February		02/04/11	02/11/11
	02/10/11	02/11/11	02/18/11
		02/25/11	03/04/11
March	03/10/11	03/11/11	03/18/11
		03/25/11	04/01/11
April	04/07/11	04/08/11	04/15/11
		04/22/11	04/29/11
May		05/06/11	05/13/11
	05/12/11	05/13/11	05/20/11
		05/27/11	06/03/11
June	06/09/11	06/10/11	06/17/11
		06/24/11	06/30/11
July	07/07/11	07/08/11	07/15/11
		07/22/11	07/29/11

2010 PERM REVIEW

In January 2008 Rhode Island was part of a Payment Error Rate Measurement (PERM) review by the Centers for Medicare and Medicaid Services (CMS). This is mandated by the Improper Payments Act of 2002 (IPA), Public law 107-30, enacted on November 26, 2002. These reviews are required to be done every three years so Rhode is now in the midst of the 2010 PERM process.

PERM Reviews are conducted in three areas: fee for services (FFS), managed care and eligibility. The current review is looking at claims with a DOS for Federal Fiscal Year (FFY) 10/01/2009-09/30/2010.

CMS reviews a sample of claims for data processing/payment errors and medical documentation. The data processing review is done in coordination with the State of Rhode Island and does not require any effort by providers. In order to support the medical documentation audit, review letters will be sent out by CMS requesting specific documentation for a specific claim, recipient and date of service (DOS). If documentation received by CMS is insufficient or not received, second and third request letters are sent. Due to the very strict timelines associated with these requests, missing or late documentation are considered errors for the State of Rhode Island. In order to reduce the number of errors please respond to any and all requests from CMS with regard to the 2010 PERM audit.

CMS will compile all of the errors and calculate an error rate for Rhode Island. For those claims deemed an error, Rhode Island Medical Assistance is required to return the federal monies use to pay for these claims. Therefore the money is recouped directly from the Provider for the specific claim. Providers will be notified in advance of the recoupment of the funds.

In order to reduce some of the confusion amongst providers with regard to the 2010 PERM audit, CMS is trying to educate providers as much as possible prior to any letters being sent to providers. To kick off the educational component CMS is holding a conference call on August 11, 2010. All enrolled Rhode Island Medical Assistance Providers are invited to attend. Please see the following pages with more detailed information on the efforts of CMS to educate all providers regarding PERM.

PERM PROVIDER EDUCATION CONFERENCE CALL

The Centers for Medicare & Medicaid Services (CMS) is hosting a PERM Provider Education Conference Call to provide an opportunity for live dialogue between CMS and the Medicaid provider community in the States of *Colorado, California, Massachusetts, and Rhode Island.* The call will be held **Wednesday, August, 11, 2010** at 2:00pm to 3:30pm, EST, details below.

The Payment Error Rate Measurement (PERM) program is designed to measure improper payments in the Medicaid and CHIP programs, as required by the Improper Payments Information Act of 2002 (IPIA; Public Law 107-300). The purpose of the Perm Provider Education conference call is to educate Medicaid providers about PERM and their specific responsibilities during the PERM process.

Provider forum participants will learn from PERM related presentations such as:

- An overview of the PERM program, the PERM process and what you may be required to do during a PERM review.
- The documentation request letter/what are your responsibilities when the documentation request letter is received.
- The follow up schedule and the requirements.
- Frequent mistakes and best practices.

The following materials will be discussed and are available at the PERM Providers page of the CMS Website, http://www.cms.gov/PERM/.

- PERM 101 for Medicaid Providers
- Sample document request letter

Joining the conference:

1. In the 10 minutes prior to the call's start time, call lines will be available by calling the **Participant Dial-In Number: *US/Canada Dial-in # (800) 603-1774 Your conference ID # is 87759280.** Please provide the following participant information that will include the following:
   State Organization # of persons in the room
2. Provider the Operator with the Conference ID number.
3. Helpful keypad commands:
   *0 – Operator Assistance
   *5 – Group Mute/Unmute
   *6 – Self Mute/Unmute
   *7 – Lock conference to additional participants

PERM PROVIDER EDUCATION CONFERENCE CALL (Continued)

Encore is available for this call which is a digital recording of the conference and will be available for replay two hours after the call's completion. The date range that the conference replay will be available through dialing the **Encore Dial In # (800) 642-1687, 8/11/10 15:30 EST – 8/13/10 23:59 EST.**

There will be time available for Q&A's however; CMS encourages your questions to be submitted in advance to our designated PERM provider email address at: PERM-Providers@cms.hhs.gov or, you may also contact **your** State PERM Representatives with any questions and for information about educational and training events in your area.

For **Colorado** Providers: Vivian.Tran@state.co.us

For **California** Providers: Kerri.arndt@dhcs.ca.gov or lhon@mrmib.ca.gov

For **Massachusetts** Providers: David.Kerrigan@MassMail.state.ma.us

For **Rhode Island** Providers: sally.mccarthy@hp.com

Please check the CMS Website's PERM Provider page regularly for additional Provider Education information and updates at http://www.cms.gov/PERM/.

FULL RECOVERY

RI Medical Assistance will no longer recover payment from any third party commercial carriers or their pharmacy benefit plans when claims are paid as primary by Medical Assistance and a primary insurance is identified. Effective immediately you will be notified via mail of clients and claims that were reimbursed by RI Medical Assistance but, should be submitted to the patient's primary insurance for reimbursement.

HP will mail a request that you bill the primary insurer for those clients identified and submit a refund or recoupment request within sixty days of receipt. Information included in the report is the clients first and last name, policy number, and start date of their coverage. HP will also include the patient account number, date of service, internal control numbers of the claims and paid amount to assist in identifying those claims.

If you disagree with the information provided, you can refute the claim to the address and/or telephone numbers provided in the mailing. If payment is not received within 60 days, HP will perform the recoupments. Coinsurance and deductible amounts will continue to be paid through normal billing procedures.

ASSISTED LIVING PROVIDERS

PER DIEM RATE INCREASE

Effective July 1, 2010, the per diem reimbursement rate for all Assisted Living clients has been increased from $36.32 to $42.16. When billing for July 2010 dates of service, please use the new rate of reimbursement. Assisted Living is reimbursed with procedure code T2031. For questions, please contact Karen Murphy at (401) 463-2304 or karen.murphy3@hp.com.

FQHC DENTAL PROVIDERS

FOR FQHC DENTAL PROVIDERS ONLY - EFFECTIVE JULY 20, 2010

DENTURE FABRICATION

Appropriate billing for complete and partial dentures for Medicaid recipients is as follows:

Two appliances delivered on the same date of service

A maximum of four (4) encounters may be billed to Medicaid. The appropriate appliance D codes should be included on the dental claim form only once for each appliance on the date that they are delivered to the recipient. The encounters for impressions and try-ins prior to the delivery of the dentures are to be billed using procedure code D0999 (unspecified diagnostic procedure, by report) with a note that indicates that the encounter is for a visit related to the fabrication of new dentures. This default code is to be billed prior to the delivery of the appliances and is not designed to be utilized for post-delivery adjustments. *Adjustments to dentures after the date of delivery may not be billed within the 6 months immediately following the date of delivery, as they are included in the cost of the dentures.* **Providers may not bill with different dates of service (for appliances fabricated and delivered together) for greater reimbursement.**

Single appliances

A maximum of three (3) encounters may be billed to Medicaid. The appropriate appliance D codes should be included on the dental claim form only once for the appliance on the date that it is delivered to the recipient. The encounters for impressions and try-ins prior to the delivery of the dentures are to be billed using procedure code D0999 (unspecified diagnostic procedure, by report) with a note that indicates that the encounter is for a visit related to the fabrication of new dentures. This default code is to be billed prior to the delivery of the appliances and is not designed to be utilized for post-delivery adjustments. *Adjustments to dentures after the date of delivery may not be billed within the 6 months immediately following the date of delivery, as they are included in the cost of the dentures.*

ALL DENTAL PROVIDERS

FLUORIDE TREATMENTS

Effective August 1, 2010, (D1206) *topical fluoride varnish; therapeutic application for moderate to high caries risk patients* will be added to the scope of covered Medicaid dental benefits. The code will be subject to the same limitations as is the D1203 (Topical application of fluoride-child). D1206 can be performed up to **two (2) times** in a calendar year for patients under the age of 21. Fluoride varnish should be billed to RI Medical Assistance instead of the topical fluoride, not in addition to it.

EARLY CHILDHOOD ORAL EVALUATIONS

Effective August 1, 2010, (D0145) *oral evaluation for patients under three years of age and counseling with primary caregiver* will be added to the scope of covered Medicaid dental benefits. The code will be subject to the same limitations as is the periodic oral examination (D0120). D0145 should be billed to RI Medical Assistance not more than **two (2) times** per calendar year for oral exams performed only on children under the age of three. D0145 should be billed instead of D0120 for children under the age of three, not in addition to it.

**In order to monitor appropriate implementation of the additions to the Dental Policy, we intend to conduct retrospective claims reviews on the CHC Claims until automatic edits are established in the Medicaid claims system. Encounter payments will be recouped if a review reveals that the services billed were not allowed by RI Medicaid at the time of the encounter, or are not in compliance with the above policy changes.