



## INDIANA MEDICAID UPDATE

July 1, 1998

**TO: Community Mental Health Centers**

**SUBJECT: New Mental Health Rehabilitation Option Procedure Code – Z5025.**

The following revised or added pages are to be inserted into your Indiana Medical Assistance Programs Community Mental Health Rehabilitation Services Supplemental Provider Manual. Please discard the pages which have been replaced by this bulletin.

Please be advised that a new Medicaid Rehabilitation Option (MRO) procedure code has been developed. The new code is Z5025 and is called, "Case Management – Second Case Manager". Providers may use the new code to bill for the services of a second case manager in situations when the primary case manager feels, because of an unstable situation, an additional case manager should be in attendance.

If the primary case manager is not a Qualified Mental Health Professional (QMHP), the primary case manager must receive authorization for the second case manager from the QMHP, (although in an emergency situation, authorization can be obtained after the contact is made). The need for an additional case manager and authorization (if applicable) must be documented in the case record.

Procedure code Z5025 may be billed for dates of service on or after July 1, 1998. The code is billed in ¼ hour units of service. Similar to other MRO procedure codes, modifiers AJ or AH must be used to bill the service if provided by other than an MD or HSPP. Procedure code Z5025 is exempt from Medicare Part B and other TPL editing.

If you have any questions regarding the information contained in this bulletin, please contact EDS Provider Assistance at 1-800-577-1278.

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**INDIANA MEDICAL ASSISTANCE PROGRAMS  
SUPPLEMENTAL PROVIDER MANUAL**

**Community Mental Health Rehabilitation Services  
Medicaid Rehabilitation Option (MRO)**

**Glossary of Terms and Abbreviations** **R-1**

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**General Information** **R-2**

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General Instructions .....	R-2-1
Percentage Differential .....	R-2-1
Billing Requirements.....	R-2-2
Medicare and Third Party Liability (TPL) Requirements.....	R-2-3
TPL Billing .....	R-2-3
Medicare Billing .....	R-2-3
General Billing Information.....	R-2-4
Prior Authorization (PA) Status.....	R-2-4
Claim Format .....	R-2-4
Place of Service Codes .....	R-2-5
Mailing Addresses/Telephone Numbers.....	R-2-5
Procedure Codes and Narratives .....	R-2-5
Common Service Standards.....	R-2-5
Treatment Plan Requirements.....	R-2-7
Waivered Services.....	R-2-8
Local Procedure Codes.....	R-2-8
X3040 Outpatient Diagnostic Assessment/ Prehospitalization Screening .....	R-2-10
X3042 Individualized Counseling or Psychotherapy.....	R-2-12
X3043 Conjoint Counseling or Psychotherapy.....	R-2-12
X3044 Family Counseling or Psychotherapy .....	R-2-12
X3045 Group Counseling or Psychotherapy.....	R-2-14
X3046 Crisis Intervention.....	R-2-15
X3047 Medication/Somatic Treatment.....	R-2-16
X3048 Training in Activities of Daily Living - Individual .....	R-2-18
W9082 Training in Activities of Daily Living - Group .....	R-2-18
X3049 Partial Hospitalization Services .....	R-2-19
X3050 Case Management Services .....	R-2-21
Z5025 Second Case Manager .....	R-2-24

**Index** **Ri**

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The following is a list of terms and abbreviations as commonly used in this Medicaid Rehabilitation Option (MRO) supplemental manual. An expanded glossary is found in the primary provider manual.

<u>ABBREVIATION</u>	<u>TERM</u>
1261A.....	Division of Family and Children State Form 1261A, <i>Certification - Plan of Care for Inpatient Psychiatric Hospital Services Determination of Medicaid Eligibility</i>
1500.....	HCFA 1500 claim form
ACSW.....	Academy of Certified Social Worker
CPT.....	Current Procedural Terminology
CMHC.....	Community Mental Health Center
DSM IIIR.....	Diagnostic and Statistical Manual of Mental Disorders (3rd Edition Rev., and subsequent revisions)
Form 1261A.....	Division of Family and Children State Form 1261A, <i>Certification - Plan of Care for Inpatient Psychiatric Hospital Services Determination of Medicaid Eligibility</i>
HCFA.....	Health Care Financing Administration
HCFA 1500.....	HCFA 1500 claim form
HCPCS.....	Health Care Financing Administration's Common Procedure Coding System
HSP.....	Health Services Provider in Psychology
IAC.....	Indiana Administrative Code
IMAP.....	Indiana Medical Assistance Programs
MI.....	Mental illness
MRO.....	Medicaid Rehabilitation Option

- Each line on the HCFA 1500 claim form can accommodate a specific rendering provider number; consequently, multiple rendering provider numbers can be reflected on one claim to indicate which individual practitioner in the group performed each service billed on the claim form. The group provider number at the bottom of the claim form is used for billing and incorporates all the individual provider services on the group's remittance advice (RA). Psychologists who are not HSPPs, or MSWs and ACSWs, furnishing services in the CMHC, are not assigned an individual number.
- If the service for a particular line item is rendered by an MSW, ACSW or psychologist who do not have individual numbers, the individual number of the supervising physician should be entered as the rendering provider number. The group number is used for billing and modifiers are denoted on the individual line item. Modifiers are discussed further under Billing Requirements.
- Each line on the HCFA 1500 will be individually priced at the Medicaid allowed rate for the procedure billed. This Medicaid allowed rate is the lower of your submitted charge or the Medicaid maximum fee for that procedure. Physicians and HSPPs will receive 100 percent of this Medicaid allowed rate. Other MRO mental health practitioners will receive 75 percent of the allowed rate.

## Billing Requirements

For claims billed directly to **Medicaid**, the following instructions must be followed:

- Each line of the HCFA-1500 must have the provider number of the rendering physician, HSPP, or supervising physician.
- If an MRO service was performed by a Mid-level Practitioner (non-physician or non-HSPP), modifier **AH (for Clinical Psychologist services) or AJ (for Clinical Social Worker services)** must be used in conjunction with the procedure code.
- If a clinic option service was performed by a Mid-level Practitioner (non-physician or non-HSPP), modifier **AH (for Clinical Psychologist services) or AJ (for Clinical Social Worker services)** must be used in conjunction with the procedure code.
- The new procedure code for the second Case Manager is Z5025, and for non-physician or non-HSPP should be billed with the AJ modifier at the full Case Manager rate.

## Medicare and Third Party Liability (TPL) Requirements

### Medicare

The following MRO services bypass Medicare Part B edits:

- X3040 Outpatient Diagnostic Assessment/  
Prehospitalization Screening
- X3042 Individualized Counseling/Psychotherapy
- X3043 Conjoint Family Counseling/Psychotherapy
- X3044 Family Counseling/Psychotherapy
- X3045 Group Counseling/Psychotherapy
- X3046 Crisis Intervention
- X3047 Medication/Somatic Treatment
- X3048 Training in Activities of Daily Living - Individual
- X3050 Case Management Services
- W9082 Training in Activities of Daily Living -Group
- Z5025 Second Case Manager

Medicare Part A editing applies to:

- X3049 Partial Hospitalization

### Other Third Party Liability

The following services are exempt from all other Third Party Liability edits:

- X3047 Medication/Somatic Treatment
- X3048 Training in Activities of Daily Living - Individual
- X3049 Partial Hospitalization services
- X3050 Case Management Services
- W9082 Training in Activities of Daily Living - Group
- X3046 Crisis Intervention
- Z5025 Second Case Manager

Third Party Liability editing applies to the following services:

- X3040 Outpatient Diagnostic Assessment/  
Prehospitalization Screening
- X3042 Individualized Counseling/Psychotherapy
- X3043 Conjoint Family Counseling/Psychotherapy
- X3044 Family Counseling/Psychotherapy
- X3045 Group Counseling/Psychotherapy

identify individuals and/or treatment team responsible for treatment goals;

- dictate time limitations for service;
- be reviewed at intervals not to exceed three months; and
- be certified by the supervising physician, consistent with the CMHC's Clinical Plan for Professional Services (or similar document).

**Waivered Services**

A recipient can receive Waivered Services and other Medicaid services (such as MRO services) at the same time. However, under a federally approved waiver there is a requirement that Waivered Services do not duplicate services already available. Service duplication is possible in two service areas, Training in Activities of Daily Living, and Case Management services. The waiver case managers are responsible for monitoring non-duplication of services. The Community Mental Health Center must coordinate provision of service with the waiver case manager.

**Local Procedure Codes**

The following narratives outline the Indiana Medicaid Program's Community Mental Health Rehabilitation Service local HCPCS procedure code structure. The following codes will be described:

- X3040 Outpatient Diagnostic Assessment/  
Prehospitalization Screening
- X3042 Individualized Counseling/Psychotherapy
- X3043 Conjoint Counseling/Psychotherapy
- X3043 Family Counseling/Psychotherapy
- X3045 Group Counseling/Psychotherapy
- X3046 Crisis Intervention
- X3047 Medication/Somatic Treatment
- X3048 Training in Activities of Daily Living - Individual
- W9082 Training in Activities of Daily Living - Group

- X3049 Partial Hospitalization Services
- X3050 Case Management Services
- Z5025 Second Case Manager



## Activities Not Allowed

- Targeted case management will not be used to restrict the access to other services available under the plan.
- Case management services will not be provided as a means for enrollment in the Medicaid Program.
- Case management services will not be reimbursed for activities which are vocational in nature or job skilled oriented.

## Z5025

## MRO Case Management -Second Case Manager

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### Definition

When an MRO Case Manager is preparing to make a face to-face client and/or significant other contact, and feels that because of an unstable situation an additional Case Manager should also be in attendance, the primary Case Manager (or back-up) should contact their supervising QMHP in order to receive authorization for the additional Case Manager. Upon approval from the supervising QMHP, the Community Mental Health Center may bill Medicaid for the second Case Manager at one-half the full Case Manager rate. If the supervising QMHP is not available, then authorization could be provided by another QMHP employed by the Community Mental Health Center. If the primary Case Manager is a QMHP, authorization is not required. In an emergency situation, authorization can be obtained from the QMHP after the contact is made. In either case, the QMHP should document the authorization on the Progress Note.

The primary Case Manager's units should be billed with procedure code X3050, as usual. The Progress Note should include a brief narrative outlining the second Case Manager's attendance and assistance. Both the primary Case Manager services and the secondary Case Manager services are exempt from Medicare Part B and all other Third Party Liability edits.

NOTE: Service Standards: Unit of Service, Allowed Activities and Activities Not Allowed which apply to Case Management Services listed on pages R-2-21 through R-2-24 also apply to this service.

# Index

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This index is a comprehensive list of information in this Medicaid Rehabilitation Option supplement. Please refer to **Chapter 1, Preface, Section 1-3, Glossary of Terms and Abbreviations**, as well as this supplement's **Section R-1, Glossary of Terms and Abbreviations**, for assistance in finding subjects in this index. For information on the page numbering scheme, please refer to **Chapter 1, Preface, Section 1-2, How to Use This Manual**.

1261A .....	R-1-1, R-2-4
1500 .....	R-1-1, R-2-2, R-2-4
ACSW .....	R-1-1, R-2-2, R-2-3, R-2-4
Abbreviations .....	R-1-1, R-1-2
Addresses .....	R-2-5
Activities not allowed .....	R-2-10 through R-2-12, R-2-15, R-2-16, R-2-21
Allowed activities .....	R-2-9, R-2-10, R-2-13, R-2-14, R-2-16, R-2-18, R-2-20, R-2-21
Allowed rate .....	R-2-2
Billing .....	Section R-2
CPT code .....	R-2-4
Case managed .....	R-2-4
Case management .....	R-2-3, R-2-8, R-2-13, R-2-19 through R-2-21
Case manager .....	R-2-20, R-2-21
Claim .....	R-1-1, R-2-1, R-2-2, R-2-4, R-2-5
Claim format .....	R-2-4
Community Mental Health Centers .....	R-2-1
Community Mental Health Rehabilitation Services .....	R-2-1, R-2-4
Consulting physician .....	R-2-13
Core providers .....	R-2-4
Cross over .....	R-2-2, R-2-4
Dually diagnosed .....	R-2-19
Electronic billing .....	R-2-4
Fee schedule .....	R-2-1
Form 1261A .....	R-1-1, R-2-4
HCFA 1500 .....	R-1-1, R-2-2, R-2-4
HCPCS codes .....	R-2-4, R-2-5, R-2-8
HSPP .....	R-1-1, R-2-1 through R-2-4
IAC (Indiana Administrative Code) .....	R-1-1, R-2-1, R-2-4, R-2-19
Indiana Administrative Code (IAC) .....	R-1-1, R-2-1, R-2-4, R-2-19
IndianaAIM .....	R-2-4
Indiana Medical Assistance Programs Provider Manual .....	R-1-1, R-2-1, R-2-5, R-2-19
MI (mental illness) .....	R-1-1, R-2-5 through R-2-7, R-2-16, R-2-19
MRO (Medicaid Rehabilitation Option) .....	R-1-1, R-2-1 through R-2-5, R-2-15, Index-Ri
MSW .....	R-1-1, R-2-2 through R-2-4
Mailing addresses .....	R-2-5
Maximum fee schedule .....	R-2-1
Medicaid Rehabilitation Option (MRO) .....	R-1-1, R-2-1 through R-2-5, R-2-15, Index-Ri
Medicare .....	R-2-1 through R-2-4

Mental illness (MI) .....	R-1-1, R-2-5 through R-2-7, R-2-16, R-2-19
Modifiers .....	R-2-2
OMPP (Office of Medicaid Policy and Planning).....	R-1-1
Office of Medicaid Policy and Planning (OMPP).....	R-1-1
Other insurance.....	R-2-4
PA (prior authorization).....	R-1-1, R-2-1, R-2-4
Payment.....	R-2-4
Percentage differential .....	R-2-1, R-2-2
Physician .....	R-2-1 through R-2-7, R-2-13 through R-2-15
Place of service codes .....	R-2-5
Plan of care.....	R-1-1, R-2-7, R-2-21
Prior authorization (PA) .....	R-1-1, R-2-1, R-2-4
Procedure codes .....	R-2-3 through R-2-5, R-2-8, R-2-9, R-2-11 through R-2-14, R-2-16, R-2-17, R-2-19
Procedure code narratives .....	R-2-9 through R-2-21
Provider number.....	R-2-1, R-2-2, R-2-4
Psychiatrist .....	R-2-4, R-2-5
QMHP (Qualified Mental Health Professional).....	R-1-1, R-2-5, R-2-6
Qualified Mental Health Professional (QMHP).....	R-1-1, R-2-5, R-2-6
RA (remittance advice).....	R-1-2, R-2-2, R-2-4
RBRVS (resource-based relative value scale) .....	R-1-2
Reimbursement.....	R-2-1, R-2-15, R-2-19, R-2-21
Remittance advice (RA).....	R-1-2, R-2-2, R-2-4
Resource-based relative value scale (RBRVS).....	R-1-2
Rules [relative to the IAC].....	R-2-1
SED (seriously emotionally disturbed) .....	R-1-2, R-2-19
SEH (seriously emotionally handicapped).....	R-1-2, R-2-20
SMI (seriously mentally ill).....	R-1-2, R-2-19, R-2-20
Second Case Manager .....	R-1-1, R-2-2, R-2-3, R-2-9, R-2-24
Seriously emotionally handicapped (SEH) .....	R-1-2, R-2-20
Seriously emotionally disturbed (SED).....	R-1-2, R-2-19
Seriously mentally ill (SMI) .....	R-1-2, R-2-19, R-2-20
Service standard(s) .....	R-2-1, R-2-5, R-2-6, R-2-11 through R-2-14, R-2-17, R-2-19
Supervising physician.....	R-2-2, R-2-6, R-2-7
TPL (third party liability) .....	R-1-2, R-2-1, R-2-3, R-2-4
Terms .....	R-1-1, R-1-2
Telephone numbers.....	R-2-5
Third party liability (TPL) .....	R-1-2, R-2-1, R-2-3, R-2-4
Treatment plan .....	R-2-1, R-2-6, R-2-7, R-2-11 through R-2-13, R-2-16, R-2-17, R-2-19 through R-2-21
Unit of service .....	R-2-5, R-2-9, R-2-11 through R-2-14, R-2-16, R-2-18, R-2-20, R-2-21
Waivered Services.....	R-2-8