



P R O V I D E R B U L L E T I N

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To: All Indiana Health Coverage Programs Community Mental Health Centers

Subject: Changes to Medicaid Rehabilitation Option Third Party Liability Edits, Use of Modifiers, Elimination of Conjoint Counseling, and Clarification of Medication/Somatic Services

Overview

The purpose of this bulletin is to notify providers of three policy changes to specified Medicaid Rehabilitation Option (MRO) procedures and provide clarification about the use of codes for medication/somatic services. The changes affect Third Party Liability (TPL) edits, the use of modifiers for mid-level practitioners, and the elimination of conjoint counseling as a recognized MRO service. Additionally, this bulletin clarifies coverage of medication/somatic services to help ensure proper use of the code.

TPL Editing

Effective **November 1, 2001**, the MRO procedure codes in Table 1.1 will no longer be exempt from TPL cost avoidance edits. Medicare Part B or private insurance must be billed prior to submitting these claims to the Indiana Health Coverage Programs (IHCP). If Medicare and/or a private insurance denies a service, then copies of the Explanation of Medicare Benefits (EOMB) and/or the Explanation of Benefits (EOB) must be submitted with the claim for processing.

Table 1.1 – MRO Procedure Codes No Longer Exempt from TPL Cost Avoidance Edits

Code	Description
X3040	Outpatient Diagnostic Assessment/Prehospitalization Screening
X3042	Individual Counseling

(Continued)

Table 1.1 – MRO Procedure Codes No Longer Exempt from TPL Cost Avoidance Edits

Code	Description
X3044	Family Counseling
X3045	Group Counseling
X3047	Crisis Intervention
X3048	Medication/Somatic Treatment

The codes listed in Table 1.2 continue to bypass the TPL cost avoidance edits and do not need to be submitted to Medicare and/or private insurance before being submitted to the IHCP for processing.

Table 1.2 – Codes Continuing to Bypass TPL Cost Avoidance Edits

Code	Description
X3046	Crisis Intervention
X3048	Training in Activities of Daily Living
X3050	Case Management
W9082	Group Training in Activities of Daily Living
Z5025	Case Management – Second Case Manager
X3049	Partial Hospitalization

Partial hospitalization (PH) is exempt from TPL edits. However, if a Community Mental Health Clinic's (CMHC's) PH program meets the requirements for the Medicare program and; therefore, qualifies for Medicare reimbursement, the provider must bill Medicare first. The provider must have a PH program description sufficient to distinguish its program from Medicare and to substantiate why it does not qualify for Medicare reimbursement requirements. Distinguishing features should include, but are not limited to, level of intensity, staffing requirements, hours of programming, and clinical supervision requirements. Documentation must be available for future IHCP Surveillance and Utilization Review (SUR) audits.

Modifiers

The use of modifiers is being simplified for MRO services performed by mid-level practitioners. Effective **November 1, 2001**, only the following two modifiers will be associated with MRO procedure codes.

- **AH** – For all psychologist services
- **AJ** – For all social worker services and all other qualified providers

MRO services billed with an AH or AJ modifier in form locator 24D of the HCFA-1500 are reimbursed at 75 percent of the resource-based relative value scale.

To be reimbursed at 100 percent, rendering physicians, psychiatrists, or HSPPs should bill with without modifiers.

Elimination of Conjoint Counseling

Effective **November 1, 2001**, conjoint counseling, X3043, is being eliminated as an MRO service as it is being consolidated with family counseling, X3044. This decision is the result of research that identified that the national Current Procedure Terminology (CPT) uses a single code that is defined as “family psychotherapy (conjoint psychotherapy) (with patient present)”.

Effective **November 1, 2001**, X3044, family counseling, should be used in place of X3043, conjoint counseling.

Clarification of Medication/Somatic Services, X3047

This section helps define the services covered by X3047. More information can be found in the *MRO Provider Manual*.

- *Medication monitoring, accessing, or assisting access to medication* – Instead, resources can be billed as case management as described in the CMHC’s Clinical Plan for Professional Services or similar document.
- *Coaching and instructing for medication procedures* – Instead, services can be billed as Activities of Daily Living (ADL) as described in the CMHC’s Clinical Plan for Professional Services or similar document.

When medication/somatic treatment and case management are provided during the same one-quarter hour session (one unit), case management may be billed only if that service consumes more than half of the time. If the primary focus of the unit of service (one-quarter hour) is medication/somatic treatment, and more than half of the time is spent providing this service, medication/somatic should be billed. Both case management and medication/somatic cannot be billed for the same unit (one-quarter hour) of service.

CMHC SUR audits have shown that medication and somatic activities are being inappropriately billed as case management services using X3050. Guidelines or policies for billing case management or ADL instead of medication/somatic must be specified in the CMHC’s Clinical Plan for Professional Services or similar document. The guidelines and policies should take into consideration the primary service being provided, the main goal of the activity, and the time spent on the activity.

When the main goal of an activity is to ensure compliance with medication regimen, and all the time spent with the client is related to medication monitoring activities and no other service is provided during the contact, then the service or activity should be billed as medication/somatic services using X3047.

When medication monitoring or medication compliance activities are part of other services provided at the same time to the client, with a larger goal of providing case management activities, then medication monitoring services can be combined with the other case management services and billed as case management.

Documentation must be appropriate to support the service for which the CMHC submits the claim.

Examples of Documentation

The following are examples of text that may be recorded by a provider when assisting a member with medication/somatic services or case management and an explanation of how the services should be billed.

1. Went to the client's home to monitor client self-administration of a.m. prescribed medications. The client took medications with difficulty and resisted taking all medications. Will continue to monitor client daily to ensure compliance with medication regimen.

The main goal of the activity in example 1 is to ensure compliance with medication regimen. All time spent with the client is related to medication monitoring. No other service is provided during the 15-minute contact. This time or activity should be appropriately billed as medication/somatic services.

2. Met with client in his apartment to assist with morning routine. Watched the weather forecast for the day, then assisted the client with appropriate grooming and dress for the workday. Client was cooperative in selecting appropriate clothing based on weather forecast. (20 minutes). Set up previously prepared meals and observed him taking medication with meals. Client was cooperative with taking medications as ordered. Will continue to assist with grooming and medication monitoring. (10 minutes)

The goal of the activities in example 2 is to assist the client with the morning routine, which includes appropriate grooming and dress for the day as well as medication compliance. Medication monitoring was part of the overall goal and only 10 minutes out of the 30 minutes were spent providing services on medication monitoring activities. The provider can bill the 30-minute service as case management.

Additional Information

If there are any questions about the information contained in this bulletin, please contact EDS Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.