



# Provider

## BULLETIN

AUGUST 2009



### This Bulletin applies to:

- Medi-Cal
- Alliance CompleteCare
- Healthy Families
- Alliance Group Care

### NEW HIPAA REQUIREMENTS TAKE EFFECT

The American Recovery and Reinvestment Act of 2009 includes amendments the Health Insurance Portability and Accountability Act (HIPAA) privacy and security requirements. The new amendments affect health plans, health insurers and long-term care insurers, and their business associates. Changes in notification in the event of breach requirements will go into effect September 17, 2009. Civil monetary penalties by the state took effect on February 17, 2009. Penalties up to \$25,000 per violation and up to \$1.5 million a year may be enforced in the event of non-compliance with the HIPAA amendments.

### WHAT'S INSIDE:

#### New HIPAA Requirements



#### New Billing Requirements for Outpatient Drug Claims



#### Electronic Claims Submission



#### RCEB Referrals



#### Fraud and Abuse

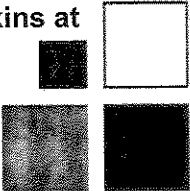
For your office to maintain compliance with the HIPAA amendments (referred to as "HIPAA 2"), we recommend that you take the proper precautions to ensure that you and your office staff are safely storing member Protected Health Information (PHI) in order to prevent the unauthorized acquisition, access, use, or disclosure of such information. Examples of PHI may include a member's:

1. Name
2. Address
3. Phone/fax number
4. Social Security numbers
5. Medical record numbers
6. Health plan beneficiary numbers

Please refer to the checklist below to ensure the protection of member PHI:

- Are patient medical records and other PHI stored in a secure location when not in use?
- Is the office staff trained on properly handling and storing PHI?
- Are you and your staff preventing PHI from being viewed by office visitors and other non-office staff?

If you have answered no to any of these questions, it may be time for you to review how you are storing patient PHI. If you have any questions about how to improve the security and storage of member PHI, call your provider service representative, **Kreshenda Jenkins** at (510) 747-6203 or **Lorena Ahumada** at (510) 747-6209 or the **Provider Services** department at (510) 747-4510. For more information about changes in HIPAA security regulations, please visit [www.hhs.gov](http://www.hhs.gov).



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**Alliance**  
FOR HEALTH

Health care you can count on.  
Service you can trust.

## FAQs on New Billing Requirements for Outpatient Drug Claims

In addition to the latest fax blast sent to your office earlier this month, Alameda Alliance for Health would like to remind you of the following changes in the billing requirements for physician administered drugs. These changes apply to all Alliance programs – Medi-Cal, Healthy Families, Group Care and Alliance CompleteCare. The new requirement and the effective dates are described below.

**What is an NDC?** A National Drug Code is an 11-digit number in a 5-4-2 format separated by hyphens, which identifies a specific prescription drug, usually found on the drug container.

**What are the new billing requirements?** NDCs for physician-administered drugs must be listed on claims in conjunction with the HCPCS Level I, II, or III code on claims with dates of service on or after July 1, 2009. Claims billed without the required NDC will be denied for dates of service on or after September 1, 2009.

**What drugs are affected?** Physician-administered or physician-dispensed drugs include any covered outpatient drug, regardless of the administration. This requirement includes vaccines.

**What remains the same?** Drugs will continue to be priced based on the HCPCS code and the contracted rate on file.

**Which providers are affected?** Primary care providers, specialty care providers, clinics, hospital outpatient departments, and all other outpatient providers who administer drugs to Alliance members.

**Which Alliance programs are affected?** All programs are affected: Medi-Cal, Healthy Families, Group Care and Alliance CompleteCare.

### What are the formatting requirements for paper claims?

For **CMS-1500**:

Box 24A: 2-digit Product Qualifier and 11-digit NDC is reported in the shaded area of box 24A (do not report dashes)

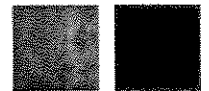
Box 24D: NDC unit of measure and quantity is reported in the shaded area of box 24D, left justified. If reporting a fraction of a unit, use a decimal point. Nine numbers may precede the decimal and three numbers may follow the decimal.

24. A. DATE(S) OF SERVICE From To MM DD YY MM DD YY	B. PLACE OF SERVICE	C. EMG	D. PROCEDURES, SERVICES, OR SUPPLIES (Explain unusual Circumstance) CPT/HCPCS   MODIFIER	E. DIAGNOSIS POINTER	F. \$ CHARGES	G. DAYS OR UNITS
N400025016608 ML5						
10   01   05   10   01   05	11	J3490		1, 3	100   00	1

For **UB-04**:

Box 43: 2-digit Product Qualifier, NDC, Unit of Measure qualifier and quantity is reported in Box 43, left justified. If reporting a fraction of a unit, use a decimal point. Nine numbers may precede the decimal and three numbers may follow the decimal.

42 REV. CD.	43 DESCRIPTION	44 HCPCS/RATE/ HIPPS CODE	45 SERV. DATE	46 SERV. UNITS	47 TOTAL CHARGES			
1	0259	N400025016608 UN5	J3490	041207	3	13	00	1
2	0450	EMERGENCY ROOM	99282	041207	1	360	00	2
3	0636	58468012201 ML1	J1270	041207	4	11	12	3
4	0636	52544092226 ML12.5	J2916	041207	10	47	50	4
5					5			



Billing requirements – cont'd from page 2



**What are the formatting requirements for EDI claim submissions?** Professional claims that are submitted via EDI (837P) should include applicable NDC codes in Loop 2410, LIN03 segment. In addition, providers must submit the NDC unit price for each drug in Loop 2410, CTP03 segment and the unit for measurement code in Loop 2410, CTP05-01. The unit price submitted in the CTP03 segment(s) must be equal to service line charge in Loop 2400, SV102 segment.

Institutional claims that are submitted via EDI (837I) should include applicable NDC codes in Loop 2410, LIN03 segment. In addition, providers must submit the NDC unit price for each drug in Loop 2410, CTP03 segment and the unit of measure code in Loop 2410, CTP05-01. The unit price submitted in the CTP03 segment(s) must be equal to service line charge in Loop 2400, SV102 segment.

**Where can I find more information?** Go to the Medi-Cal website: NDC billing and EDI/Claim Completion instructions: [http://files.medical.ca.gov/pubsdoco/ndc/articles/ndc\\_9630.asp](http://files.medical.ca.gov/pubsdoco/ndc/articles/ndc_9630.asp) or call Alliance Claims Customer Service at (510) 747-4530.



## Free & Easy Ways to Speed Up Claims Processing

Currently only 20% of our network providers take advantage of electronic claim submission. We strongly encourage Alliance providers to file claims electronically since electronic claim submission, or EDI, has proven to be effective in reducing claim denials. By filing claims electronically, providers are able to lower claims processing timeframes, which, in turn, allows the Alliance to make payments quickly for services rendered. On average, electronic claims submitted completely and accurately are paid within 7-14 business days. Paper claims take approximately 23 days to process.

The Alliance offers two methods of EDI submission:

### Direct Submission

Providers can send their EDI claims directly to the Alliance using a HIPAA-compliant 837 formatted file. Direct submission also includes support from an Alliance EDI analyst for quick resolution of any EDI issues. *There is no charge for direct submission.*

### Clearinghouses

The Alliance also accepts EDI claims from ClaimsNet for providers who are not able to create an 837 formatted file. Providers send a file of their claims to ClaimsNet and ClaimsNet distributes the claims to the Alliance. *There is no charge associated with using ClaimsNet for EDI submission to the Alliance.*

### Electronic Remittance Advice

Whether submissions are made directly or through a clearinghouse, the Alliance offers providers electronic remittance advice that allows providers to automatically post payments and claim denials.


To enroll or for more information about EDI submission, please call Alameda Alliance EDI Claims Lead, Anet Quiambao at (510) 747-6153 or email [claims@alamedaalliance.org](mailto:claims@alamedaalliance.org).



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## Pediatrician Referrals to RCEB: Updated Forms Introduced



The **Regional Center of the East Bay (RCEB)** has updated its faxable referral forms to make the referral process easier. The new forms and instructions are available by calling the Alameda County Medical Home Project at (510) 540-8293 or emailing Mara McGrath, Project staff, at [mkmcgrath1254@aol.com](mailto:mkmcgrath1254@aol.com).

### **Pediatrician's Referral to RCEB for Children Under Age 3**

Infants and toddlers under the age of 3 who are eligible for Early Start services fall into one of three categories: **1)** the child has an established risk condition resulting in developmental disability (i.e., Down syndrome, cerebral palsy, mental retardation, autism, epilepsy), **2)** the child exhibits significant developmental delay, or **3)** the child is high risk due to multiple risk factors.

#### **To refer a child under age 3, please follow these simple steps:**

- 1) Fill out the referral form as completely as possible
- 2) Get family consent for the referral and release of information using your own practice/clinic forms
- 3) Attach copies of medical records that identify: **a)** suspected diagnosis and prognosis, **b)** illnesses, hospitalizations, surgeries, injuries/accidents, **c)** immunizations, medications and allergies, **d)** diagnostic test results (including hearing screens, audiology reports, complete ASQ, MCHAT and/or ASQ:SE with their respective score sheets), and **e)** consultations requested and referrals made.
- 4) Provide the family with the RCEB intake number: (510) 383-1355

**and /or**

Fax the referral form and supporting medical records to: (510) 633-5020 Attention: EI INTAKE COORDINATOR/UNDER 3.

### **Pediatrician's Referral to RCEB for Children Over Age 3**

Persons eligible for RCEB services over the age of 3 have a developmental disability, defined as mental retardation, cerebral palsy, epilepsy, autism, or other conditions closely related to mental retardation or requiring treatment similar to that required by persons with mental retardation. The condition must constitute a substantial disability, defined as significant functional limitations in three or more areas of major life activity, as determined by a regional center and as appropriate to the age of the person: self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency. To refer a child over 3 years of age, provide the family with the RCEB Intake Number (510) 383-1312.



## **FRAUD AND ABUSE**

Alameda Alliance for Health is committed to complying with all applicable federal and state laws addressing false claims, including the Federal False Claims Act, the California False Claims Act and the Deficit Reduction Act of 2005 (Section 6032). If you have concerns about possible unethical business practices or potential illegal activity regarding our health plan, our providers, vendors or members, report this information by contacting:

- For Medi-Cal: Call the Department of Health Care Services Medi-Cal Fraud Reporting Line at (800) 822-6222
- Alameda Alliance for Health Compliance Officer: (510) 747-6189
- Alameda Alliance for Health Compliance Hotline: (510) 747-4576

☞ CONTACT INFORMATION ☞



1240 South Loop Road  
Alameda, California 94502

[providerservices@alamedaalliance.org](mailto:providerservices@alamedaalliance.org)

**We're on the Web!**

[www.alamedaalliance.org](http://www.alamedaalliance.org)

Using the online Provider Connection, Alliance Providers can:

- ▶ Verify member eligibility
- ▶ Check authorization/claim status
- ▶ View an online provider manual

To get a Provider Connection account, just log onto [www.alamedaalliance.org](http://www.alamedaalliance.org) and click on "Provider Connection." Follow the online instructions. If you have problems, call (510) 747-4510 or e-mail [providerservices@alamedaalliance.org](mailto:providerservices@alamedaalliance.org)

**Free Interpreter Services**

Does your Alliance patient need an interpreter for visits to your office? Interpreter services are free for Alliance members. Please contact Member Services at (510) 747-4567 to arrange for an in-office or telephonic interpreter at no cost to you. Or fax us at (510) 747-4504.

Eligibility (24-hour automated line).....	(510) 747-4505
Authorizations (provider use only).....	(510) 747-4540 fax (510) 747-4507
Case Management Services.....	(510) 747-4540 <i>Asthma and Diabetes</i>
Claims .....	(510) 747-4530 fax (510) 747-4506
Member Services (8 a.m. – 6 p.m., M-F) .....	(510) 747-4567 fax (510) 747-4504
Provider Credentialing .....	(510)747-4555 Ext 4025
Provider Services General Information .....	(510) 747-4510 fax (510) 747-4508
Provider Services Representatives:	
Lorena Ahumada .....	(510) 747-6209
Kreshenda Jenkins.....	(510) 747-6203
Jett Stansbury, Sr. Director, Provider Services...	(510) 747-6189
Alameda County Behavioral Health .....	(800) 491-9099
Children First Medical Group .....	(510) 428-3489
Community Health Center Network .....	(510) 297-0200
MedImpact (Pharmacy Benefit Manager) .....	(800) 788-2949
Delta Dental .....	(800) 338-4337
Denti-Cal .....	(800) 322-6384
Domestic Violence Hotline .....	(510) 536-7233
Healthy Families Program.....	(800) 880-5305
March Vision Care.....	(888) 493-4070
PacifiCare Behavioral Health:	
Physician Consultation .....	(800) 292-2922
Member Referral.....	(888) 789-7110
Quest Diagnostic (Outpatient Laboratory Services) .....	(800) 288-8008
Telephonic Interpreter Services Vendor .....	(510) 809-3986