



******* High Priority *******

Service Alert Notification

SUBJECT: \$1,500 Outpatient Hospital Services CAP

DATE: June 1, 2009

First Coast Advantage (FCA) is experiencing an increase in the number of provider and member calls related to the member exceeding their fiscal year \$1,500 outpatient Services Cap. Recipients under the age of 21 have no limit on outpatient services but services must be medically necessary as determined by a physician.

Adult recipients, 21 years of age and older, are limited to \$1,500 entitlement per fiscal year for outpatient hospital services, excluding certain medical and surgical procedures, dialysis services and chemotherapy services.

There are some provider services that are exempt from the \$1,500 Cap. Please refer to the Medicaid Hospital Services Coverage and Limitations Handbook, page 2-14 for information on the revenue codes and procedure codes that are exempt from the \$1,500 outpatient services cap.

Outpatient services due to an emergency admission may be eligible for payment beyond the \$1,500 Cap limit, if emergency criteria in the Federal Balanced Budget Act, (BBA) of 1997 are met. If the emergency criteria are met, providers may submit a claim for reimbursement over the \$1,500 outpatient Cap.

See Appendix B of the Medicaid Hospital Services Coverage and Limitations Handbook for asterisk outpatient revenue center codes that are exempt from the \$1,500 Cap. This Appendix is also included with this Service Alert and on the FCA website at www.firstcoastadvantage.com under Provider Information. Procedures in the HCPCS range 10000-69999 that are reimbursable in the outpatient setting are exempt from the \$1,500 Cap.

Thank you for your continued support.

APPENDIX B

MEDICAID-COVERED OUTPATIENT REVENUE CENTER CODES

Leading zero on revenue center codes is required for dates of service on and after October 16, 2003.

*Asterisked codes are exempt from the outpatient \$1500 cap.

<u>Category</u>	<u>Description</u>
025X	PHARMACY
	Charges for medication produced, manufactured, packaged, controlled, assayed, dispensed, and distributed under the direction of a licensed pharmacist.
0250	General Classification
0251	Generic Drug
0252	Non-Generic Drug
0254	Drugs Incident to Other Diagnostic Services
0255	Drugs Incident to Radiology
0258	IV Solutions
0259	Other Pharmacy (Effective 01/01/05)
026X	IV THERAPY
	Equipment charge or administration of intravenous solution by specially trained personnel to individuals requiring such treatment.
0260	General Classification (Effective 10/01/01)
0261	Infusion Pump
0262*	Pharmacy Services
0264*	Supplies
0269*	Other IV Therapy (Effective 01/01/05)
027X	MEDICAL/SURGICAL SUPPLIES AND DEVICES
	Charges for supply items required for patient care.
0270	General Classification (Effective 01/01/05)
0271	Non-Sterile Supply
0272	Sterile Supply
0275	Pace Maker

Appendix B, Covered Outpatient Revenue Codes, continued

0276*	Intraocular Lens
0278	Other Implants (a) <u>Note:</u> This code can be used to bill the subdermal contraceptive implant or any other medically necessary, non-experimental implant as described below. Cochlear implant handling can also be billed using code 0278. (Effective 01/01/05) (a) Implantables: That which is implanted, such as a piece of tissue, a tooth, a pellet of medicine, or a tube or needle containing a radioactive substance, a graft, or an insert. Also included are liquid and solid plastic materials used to augment tissues or to fill in areas traumatically or surgically removed. An object or material partially or totally inserted or grafted into the body for prosthetic, therapeutic, diagnostic purposes.
0279*	Other Supplies/Devices <u>Note:</u> This code can be used to bill the burn pressure garment fitted to burn patients.

030X LABORATORY-CLINICAL DIAGNOSTIC

Charges for the performance of diagnostic and routine clinical laboratory tests.

Note: The lab revenue codes require a HCPCS code from Appendix C in this handbook.

0300	General Classification
0301	Chemistry
0302	Immunology
0304	Non-Routine Dialysis
0305	Hematology
0306	Bacteriology and Microbiology
0307	Urology

031X LABORATORY-PATHOLOGICAL

Charges for diagnostic and routine laboratory tests in tissues and culture.

Note: The pathology revenue codes require a HCPCS code from Appendix C in this handbook.

0310	General Classification
0311	Cytology
0312	Histology
0314	Biopsy

Appendix B, Covered Outpatient Revenue Codes, continued

032X RADIOLOGY-DIAGNOSTIC

Charges for diagnostic radiology services provided for the examination and care of patients. Includes taking, processing, examining, and interpreting radiographs and fluorographs.

0320 General Classification

0321 Angiocardiography

0322 Arthrography

0323 Arteriography

0324 Chest X-Ray

0329 Other Radiology Diagnostic (Effective 01/01/05)

033X RADIOLOGY-THERAPEUTIC AND/OR CHEMOTHERAPY ADMINISTRATION

Charges for therapeutic radiology services and chemotherapy administration required for the care and treatment of patients. Includes therapy by injection or ingestion of radioactive substances. Excludes charges for chemotherapy drugs, which should be reported under the appropriate revenue code (025X/063X).

0330* General Classification

0331* Chemotherapy Administration-Injected

0332* Chemotherapy Administration-Oral

0333* Radiation Therapy

0335* Chemotherapy Administration-IV

0339* Other Radiology Therapeutic (Effective 01/01/05)

034X NUCLEAR MEDICINE

Charges for procedures and tests performed by a radioisotope laboratory utilizing radioactive materials as required for diagnosis and treatment of patients.

0340 General Classification

0341 Diagnostic

0342 Therapeutic

0343 Diagnostic Radiopharmaceuticals (Effective 01/01/05)

0344 Therapeutic Radiopharmaceuticals (Effective 01/01/05)

0349 Other Nuclear Medicine (Effective 01/01/05)

Appendix B, Covered Outpatient Revenue Codes, continued

035X COMPUTED TOMOGRAPHIC (CT) SCAN
Charges for computed tomographic scans of the head and other parts of the body.

0350 General Classification

0351 Head Scan

0352 Body Scan

0359 Other CT Scans (Effective 01/01/05)

036X OPERATING ROOM SERVICES/GENERAL

Charges for services provided to patients by specially trained personnel who provide assistance to physicians in the performance of surgical and related procedures during and immediately following surgery, as well as for the operating room (heat, light) and equipment.

0360* General Classification

0361* Minor Surgery

0362* Bone Marrow Transplant

0369* Other Operating Room Services (Effective 01/01/05)

037X ANESTHESIA

Charges for anesthesia services in the hospital.

0370 General Classification

0371 Anesthesia Incident to Radiology

0372 Anesthesia Incident to Other Diagnostic Services

0379 Other Anesthesia (Effective 01/01/05)

038X BLOOD

Charges for blood and blood components.

0380 General Classification

0381 Packed Red Cells

0382 Whole Blood

0383 Plasma

0384 Platelets

0385 Leucocytes

Appendix B, Covered Outpatient Revenue Codes, continued

0386	Other Components
0387	Other Derivatives (Cryoprecipitates)
0389	Other Blood (Effective 01/01/05)
039X	BLOOD AND BLOOD COMPONENT ADMINISTRATION, PROCESSING AND STORAGE Charges for administration, processing, and storage of whole blood, red blood cells, platelets, and other blood components, such as plasma and plasma derivatives.
0390	General Classification
0391	Administration (e.g., Transfusions)
0399	Other Processing and Storage (Effective 01/01/05)
040X	OTHER IMAGING SERVICES
0400	General Classification
0401	Diagnostic Mammography <u>Note:</u> See Appendix E in this handbook for covered diagnostic mammography codes.
0402	Ultrasound <u>Note:</u> Ultrasounds for pregnant women are covered for high-risk pregnancies only. See Appendix H in this handbook for covered diagnoses for high-risk pregnant women.
0403	Screening Mammography <u>Note:</u> See Appendix E in this handbook for covered screening mammography diagnosis codes.
0404	Positron Emission Tomography
0409	Other Imaging Services (Effective 01/01/05)
041X	RESPIRATORY SERVICES (All Ages) Charges for the administration of oxygen and certain potent drugs through inhalation or positive pressure and other forms of rehabilitative therapy through measurement of inhaled and exhaled gases and analysis of blood and evaluation of the patient's ability to exchange oxygen and other gases.
0410	General
0412	Inhalation
0413	Hyperbaric Oxygen Therapy
0419	Other Respiratory Services (Effective 01/01/05)

Appendix B, Covered Outpatient Revenue Codes, continued

042X	PHYSICAL THERAPY (All Ages) Charges for therapeutic exercises, massage, and utilization of effective properties of light, heat, cold, water, electricity, and assistive devices for diagnosis and rehabilitation of patients who have neuromuscular, orthopedic, and other disabilities.
0421	Visit Charge
0424	Evaluation or Re-Evaluation

043X	OCCUPATIONAL THERAPY (Limited to Under Age 21) Services provided by a qualified occupational therapy practitioner for therapeutic interventions to improve, sustain, or restore an individual's level of function in performance of activities of daily living and work.
0431	Visit Charge
0434	Evaluation or Re-Evaluation

044X	SPEECH-LANGUAGE PATHOLOGY (Limited to Under Age 21) Charges for services provided to persons with impaired functional communications skills.
0441	Visit Charge
0444	Evaluation or Re-Evaluation

045X	<u>EMERGENCY ROOM</u> Charges for emergency treatment to those ill and injured recipients who require immediate unscheduled medical or surgical care. Rationale: Under the provisions of EMTALA (Emergency Medical Treatment and Active Labor Act), a hospital with an emergency department must provide upon request and within the capabilities of the hospital, an appropriate medical screening examination and stabilizing treatment to any individual with an emergency medical condition and to any woman in active labor... (Consolidated Omnibus Budget Reconciliation Act of 1985).
0450	General Classification <ul style="list-style-type: none">• Use General Classification code 0450 when recipients require emergency room care beyond the EMTALA emergency medical screening services. Code 0450 cannot be used in conjunction with 0451(99281).• All other appropriate and covered outpatient revenue codes can be billed with 0450 to reflect services rendered to the patient during the course of emergency room treatment.• No MediPass authorization is required when billing 0450, <u>if</u> the type of admission in Form Locator 19 on the claim is "1" (Emergency). MediPass authorization is required when the condition of the patient is not an emergency.

Appendix B, Covered Outpatient Revenue Codes, continued

0451(99281)	<p>EMTALA Emergency Medical Screening Services (Effective 7/1/96)</p> <ul style="list-style-type: none"> • Report the EMTALA Medical Screening code 0451 (99281) when, following the screening and exam, no further emergency room care or treatment is necessary. If ancillary services are necessary to determine whether or not emergency care or further treatment is required, report the ancillary charges using the appropriate revenue center codes in conjunction with code 0451 (99281). Note that 0451(99281) cannot be used in conjunction with 0450. • Effective 10/16/03, HCPCS code 99281 replaces code W1700, used prior to 10/16/03, when billing revenue code 0451.
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046X PULMONARY FUNCTION

Charges for tests that measure inhaled and exhaled gases and analysis of blood and for tests that evaluate the patient's ability to exchange oxygen and other gases.

0460 General Classification

0469	Other Pulmonary Function (Effective 01/01/05)
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047X AUDIOLOGY

Charges for the detection and management of communication handicaps centering in whole or in part on the hearing function.

0471 Diagnostic

0472 Treatment

048X CARDIOLOGY

Charges for cardiac procedures rendered in a separate unit within the hospital. Such procedures include, but are not limited to, heart catheterization, coronary angiography, Swan-Ganz catheterization, and exercise stress test.

0480 General Classification

0481 Cardiac Cath Laboratory

0482 Stress Test

0483 Echocardiology

0489	Other Cardiology (Effective 01/01/05)
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049X AMBULATORY SURGICAL CARE

Charges for ambulatory surgery that are not covered by any other category.

0490 Ambulatory Surgical Care

Note: Observation is not reported under this code. It is reported under revenue code 0762.

Appendix B, Covered Outpatient Revenue Codes, continued

051X CLINIC

Charges for scheduled non-emergency outpatient clinic visits for the purpose of providing diagnostic, preventative, curative, rehabilitative services.

0510 General Classification

Medicaid policy regarding limited usage of code 0510.

- Code 0510 (Clinic visit) can be reported on a hospital claim only when it accompanies any of the revenue center codes identifying therapy and other medical services listed below in this section. Code 0510 cannot be billed to Medicaid as a stand-alone code.
- Code 0510 is limited to the billing of charges associated with the use of the hospital's clinic setting, whether the location of the clinic is contiguous with the main hospital or off-site, when any therapy or medical service listed below is rendered on such premise. If the site or location is not referred to or known as a "clinic" setting, then code 0510 should not be reported on the claim when reporting therapy or other medical services noted below.

General classification code 0510 can be billed with any one or more of the services identified by the following revenue center codes:

- 0258 Pharmacy/IV Solutions
- 0261 Infusion Pump
- 0262 IV Therapy/Pharmacy Services
- 0264 IV Therapy/Supplies
- 0269 Other IV Therapy
- 0330 Therapeutic Radiology/General
- 0331 Therapeutic Radiology/Injected Chemotherapy
- 0332 Therapeutic Radiology/Oral Chemotherapy
- 0333 Therapeutic Radiology/Radiation Therapy
- 0335 Therapeutic Radiology/Chemotherapy-IV
- 0339 Other Therapeutic Radiology
- 0410 Respiratory Services/General (All Ages)
- 0412 Respiratory Services/Inhalation (All Ages)
- 0413 Respiratory Services/Hyperbaric Oxygen Therapy (All Ages)
- 0419 Other Respiratory Services
- 0421 Physical Therapy/Visit Charges (All Ages)
- 0424 Physical Therapy/Evaluation and Re-Evaluation (All Ages)
- 0431 Occupational Therapy/Visit Charges (Under 21 Only)
- 0434 Occupational Therapy/Evaluation and Re-Evaluation (Under 21 Only)
- 0441 Speech-Language Pathology/Visit Charges (Under 21 Only)
- 0444 Speech-Language Pathology/Evaluation and Re-Evaluation (Under 21 Only)

Appendix B, Covered Outpatient Revenue Codes, continued

0510 (continued)	<ul style="list-style-type: none"> • 0480 Cardiology/General • 0481 Cardiology/Cardiac Cath Lab • 0482 Cardiology Stress Test • 0483 Cardiology/Echocardiology Cath • 0489 Other Cardiology • 0821 Hemodialysis OP • 0831 Peritoneal Dialysis OP • 0880 Miscellaneous Dialysis/General • 0881 Ultrafiltration • 0943 Other Therapeutic Services/Cardiac Rehab
	<p>Clinic revenue code 0510 is not covered and not billable to Medicaid when the services identified below are rendered in hospital-owned clinics. Instead, the hospital should bill these services to Medicaid on the CMS-1500 claim form exclusively, using the appropriate 5-digit CPT or HCPCS procedure codes covered under the Medicaid Physician Services program.</p>
	<ul style="list-style-type: none"> • Primary care services. • Routine prenatal and postnatal care. • Well-checkups and screenings for children and adults. • Dental services rendered in hospital-owned dental clinics. • Services rendered in psychiatric clinics (See revenue code 0513 covered for that purpose). • All services rendered in walk-in clinics, wound care centers, urgent care centers. • Services rendered in family practice clinics. • Any type of service rendered in a hospital-owned clinic that could also be accessed and furnished in a physician's office.
0513	<p>Psychiatric Clinic</p> <p>Note: Use code 0513 in conjunction with the following revenue center codes:</p> <ul style="list-style-type: none"> • 0914 Psychiatric Clinic Visit/Individual Therapy • 0918 Psychiatric Testing • 0944 Drug Rehabilitation • 0945 Alcohol Rehabilitation

Appendix B, Covered Outpatient Revenue Codes, continued

061X	MAGNETIC RESONANCE TECHNOLOGY (MRT)
	Charges for Magnetic Resonance Imaging (MRI) and Magnetic Resonance Angiography (MRA) of the brain and other parts of the body.
0610	General Classification
0611	MRI-Brain (Including Brain Stem)
0612	Spinal Cord (Including Spine)
0614	MRI-Other (Effective 01/01/05)
0615	MRA-Head and Neck (Effective 12/11/02)
0616	MRA-Lower Extremities (Effective 12/11/02)
0618	MRA-Other (Effective 01/01/05)
0619	Other MRT (Effective 01/01/05)
062X	MEDICAL/SURGICAL SUPPLIES – EXTENSION OF 027X
	Charges for supply items required for patient care. This category is an extension of 028X for reporting additional breakdown where needed.
0621	Supplies Incident to Radiology
0622	Supplies Incident to Other Diagnostic Services
0623	Surgical Dressings
063X	PHARMACY-EXTENSION OF 025X
	This category is an extension of 025X for reporting additional breakdown where needed.
0634*	Erythropoietin (EPO) less than 10,000 units (Effective 1/1/99)
0635*	Erythropoietin (EPO) 10,000 or more units (Effective 1/1/99)
0636	Pharmacy/Coded Drugs (Effective 10/1/01)
0637	Self-Adminstrable Drugs (Effective 10/1/97)
	<u>Note:</u> Use code 0637 to bill Medicaid only for dually eligible recipients when self-administrable drugs are not covered by Medicare. Only codes 0637 and 0001 (Total Charge) can be reported in that circumstance. The outpatient hospital rate will be applied once to such claim.

Appendix B, Covered Outpatient Revenue Codes, continued

070X CAST ROOM

Charges for services related to the application, maintenance, and removal of casts.

0700 General Classification

071X RECOVERY ROOM

0710 General Classification

Note: Use code 0710 to bill routine post-operative monitoring during a normal recovery. Recovery room services must not be billed as observation services.

072X LABOR ROOM/DELIVERY

Charges for labor and delivery room services provided by specially trained nursing personnel to patients, including prenatal care during labor, assistance during delivery, postnatal care in the recovery room, and minor gynecologic procedures if they are performed in a delivery suite.

0721 Labor

0722* Delivery

073X EKG – ECG (Electrocardiogram)

Charges for operation of specialized equipment to record electromotive variations in actions of the heart muscle on an electrocardiograph for diagnosis of heart ailments.

0730 General Classification

0731 Holter Monitor

0732 Telemetry

0739 Other EKG - ECG

0740 EEG (Electroencephalogram)

Charges for operation of specialized equipment to measure impulse frequencies and differences in electrical potential in various areas of the brain to obtain data for use in diagnosing brain disorders.

0740 EEG/General

0749 Other EEG (Effective 01/01/05)

Appendix B, Covered Outpatient Revenue Codes, continued

075X GASTRO-INTESTINAL SERVICES

Any service or procedure room charges for endoscopic procedures not performed in the operating room.

0750 General Classification

0759 Other Gastro-Intestinal (Effective 01/01/05)

076X TREATMENT/OBSERVATION ROOM

Charges for the use of a treatment room or for the room charge associated with outpatient observation services.

Observation services are those services furnished by a hospital on the hospital's premises, including use of a bed and periodic monitoring by a hospital's nursing or other staff, which are reasonable and necessary to evaluate an outpatient's condition or determine the need for a possible admission to the hospital as an inpatient. Such services are covered only when provided by the order of a physician or another individual authorized by State licensure law and hospital staff bylaws to admit patients to the hospital or to order outpatient tests. The reason for observation must be stated in the orders for observation.

0761 Treatment Room

0762 Observation Room

Note: Medicaid will cover up to 48 hours (2 days) of observation. These services are billed one day per claim similarly to all other outpatient hospital billing.

079X LITHOTRIPSY

Charges for the use of lithotripsy in the treatment of kidney stones.

0790* General Classification

082X HEMODIALYSIS – OUTPATIENT

A waste removal process, performed in an outpatient setting, necessary when the body's own kidneys have failed. Waste is removed directly from the blood.

0821* Hemodialysis Outpatient/Composite

083X* PERITONEAL DIALYSIS - Outpatient

A waste removal process, performed in an outpatient setting, necessary when the body's own kidneys have failed. Waste is removed indirectly by flushing a special solution between the abdominal covering and the tissue.

0831* Peritoneal Dialysis Outpatient/Composite Rate

Appendix B, Covered Outpatient Revenue Codes, continued

088X MISCELLANEOUS DIALYSIS

Charges for dialysis not identified elsewhere.

Rationale: Ultrafiltration is the process of removing excess fluid from the blood of dialysis patients by using a dialysis machine but without the dialysate solution. The designation is only used when the procedure is not performed as part of a normal dialysis session.

0880* General Classification

0881* Ultrafiltration (Effective 01/01/05)

090X PSYCHIATRIC TREATMENT

0901* Electroshock Treatment

091X PSYCHIATRIC SERVICES

Charges for providing nursing care and employee, professional services for emotionally disturbed patients, including patients admitted for diagnosis and those admitted for treatment.

0914 Individual Therapy

Note: Medicaid covers individual psychiatric therapy for the occasional, episodic incidences of illness. See Chapter 2 of this handbook for details. Medicaid does not cover services rendered by psychologists. Code 0513 (Psychiatric Clinic) may be billed with code 0914.

0918 Testing (Effective 1/1/99)

Note: Code 0513 (Psychiatric Clinic) may be billed with code 0918.

092X OTHER DIAGNOSTIC SERVICES

Charges for other diagnostic service not otherwise categorized.

0920 General Classification (Effective 10/01/01)

0921 Peripheral Vascular Lab

0922 Electromyogram

0924 Allergy Test

Appendix B, Covered Outpatient Revenue Codes, continued

094X OTHER THERAPEUTIC SERVICES

Charges for other therapeutic services not otherwise categorized.

0943 Cardiac Rehabilitation

0944 Drug Rehabilitation

Note: Code 0513 (Psychiatric Clinic) may be billed with 0944.

0945 Alcohol Rehabilitation

Note: Code 0513 (Psychiatric Clinic) can be billed with code 0945.
