

Progress on Uniform Billing

Section 1612(1) of PA 519 of 2002 requires the development of a uniform Medicaid and school based services billing form in consultation with affected Medicaid providers. It also requires the department to report to the house and senate appropriations subcommittees and fiscal agencies on the progress of this initiative.

Effective January 1, 2003, the Department of Community Health (DCH) adopted the current national standard claim formats for all providers. The HCFA 1500 and the ASC X12N 837P is now being required for professional claims, the UB-92 and the ASC X12N 837I for facility claims, and the ADA Dental and ASC X12N 837D for dental claims. Changes in code sets, coverage policies, billing methodologies, and claim submission instructions were shared with providers in draft form through a public comment process prior to final decisions being made. Finalized policy bulletins and updated manual pages detailing changes were issued to providers prior to implementation to facilitate claims testing. The health plans and CMHSPs were required to follow the same implementation schedule as the Department of Community Health. These changes have allowed the Department of Community Health to implement its plans to comply with the Health Insurance Portability and Accountability Act (HIPAA).

The UB-92 and ASC X12N 837I are in use for institutional providers (inpatient and outpatient hospitals, home health agencies, hospice, and nursing facilities). DCH staff have worked with the State Uniform Billing Committee to assure UB-92 completion instructions are standard with other health care insurers.

The ADA Dental scannable paper claim and the ASC X12N 837D electronic claim format have been implemented for dental claims.

The HCFA 1500 paper claim form and the ASC X12 837 electronic claim format are now in use for all health care professionals (physicians, advanced practice nurse, podiatrists, vision providers, chiropractors, ambulance providers, clinical laboratories, family planning clinics, medical clinics, medical suppliers, MSS/ISS providers, and school based services fee-for-service providers). The Department is currently working with the Intermediate School Districts, the Centers for Medicare & Medicaid, and contracted consultants to develop uniform billing for the school based services administrative outreach program. It is anticipated the new code definitions and claiming methodology will be implemented October 2003.

To assist providers and their billing staff in understanding the changes implemented, the Department, in coordination with the Michigan Virtual University (MVU), developed free on-line training modules for completing the HCFA 1500 and UB-92 claim forms. The courses were very well received and became the basis for community and professional association based training sessions for those who preferred face-to-face training sessions.

Providers and billing agents were also encouraged to submit test claims to the Department prior to the implementation dates of the changes. Test claims were processed through the claims payment system to detect syntax and claim completion errors. The results of the tests were then communicated to the submitter. This process was very helpful in avoiding payment delays when the changes were implemented.

The implementation date for the HIPAA medical claim transactions and code sets requirements has been extended to October 16, 2003. The Department has developed a comprehensive implementation plan to assure compliance by that date. It is also working cooperatively with other major health insurers in Michigan to coordinate the implementation of changes. The Department has met with provider organizations to review the billing changes and to offer provider training.