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INFORMATIONAL NOTICE

TO: Enrolled Hospitals: Chief Executive Officers, Chief Financial Officers, Patient Accounts Managers, Health Information Management Directors; and Ambulatory Surgical Treatment Centers (ASTCs)

RE: Ambulatory Procedures Listing (APL) Conversion to HCPCS/CPT Codes
Expensive Drugs and Devices Listing Conversion to HCPCS Codes

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Effective for dates of service on and after July 1, 2004, the department will require that all hospital outpatient and ASTC services be billed using the appropriate APL HCPCS/CPT codes. **Claims for dates of service on and after July 1, 2004 that contain only ICD-9 CM procedure codes will be rejected.** The APL HCPCS/CPT procedure codes will be reported in FL 44 of the UB-92 claim form across from a revenue code, and in Loop ID 2400 of the 837I electronic claim format. The department will also continue to accept the UB-92 Flat File claim transaction, and providers using this claim transaction must use HCPCS/CPT codes for dates of service on and after July 1, 2004.

Reimbursement for outpatient services will continue to be made based on the highest-paying APL HCPCS/CPT procedure code billed. A revised APL is posted on the department's Web site at <http://www.dpaininois.com/reimbursement/>.

Outpatient series claim dates cannot span July 1, 2004. Series claims must be split so that they may be coded according to the above instructions.

- **Billing Changes for Emergency Department Claims**

Effective for dates of service on and after July 1, 2004, hospitals must bill a specific CPT code with the appropriate corresponding emergency department revenue code. Emergency department claims that are not completed in accordance with the following instructions will be rejected:

Revenue Code 450 – Emergency Level 1 – Must be billed with corresponding CPT codes 99284 or 99285.

Revenue Code 456 – Emergency Level II – Must be billed with corresponding CPT codes 99282 or 99283.

Revenue Code 451 – Non-emergency/Screening Level – Must be billed with CPT code 99281.

- **Billing Changes for Observation Claims**

Effective for dates of service on and after July 1, 2004, hospitals must bill a specific CPT code with corresponding revenue code 762:

Revenue Code 762 – Observation Services – Must be billed with corresponding CPT codes 99218, 99219, 99220, 99234, 99235 or 99236.

- **Expensive Drugs and Devices Listing Update**

The drug or device must be billed along with the appropriate APL procedure using the institutional claim format as follows:

- The provider should bill the APL HCPCS/CPT procedure codes(s) and all diagnosis and procedure codes for that patient for that date of service.
- For devices, use revenue code 279 (other supplies and devices); for pacemakers use revenue code 275 (Pacemakers).
- For drugs, use revenue code 636 (drugs requiring detailed coding).

The HCPCS code for the drug or device must be reported in HCPCS/Rates (FL 44) of the paper UB-92 across from the appropriate revenue code (see above); in Loop ID 2400 of the 837I electronic claim format; or in Record 61, Field 6 of the UB-92 Flat File claim transaction.

The drugs and devices, along with the associated APL HCPCS/CPT codes, are identified in a revised table on the department's Web site at <<http://www.dpaininois.com/reimbursement/>>. This table also identifies the drugs and devices that require prior approval.

Please review the above information thoroughly to help ensure continued valid claim submission. Specific information on the department's contingency plans and testing status with specific electronic trading partners is available at <<http://www.myidpa.com/hipaa/>>. It is the responsibility of each provider to ensure that all material related to changes in the department's billing procedures, handbooks, etc., are shared with their software vendor, corporate help desk or information systems area.

Any questions regarding this notice may be directed to the Bureau of Comprehensive Health Services at 217-782-5565.

Anne Marie Murphy, Ph.D.
Administrator
Division of Medical Programs