October 14, 2003

INFORMATIONAL NOTICE

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

RE: Ambulatory Procedures Listing (APL) Conversion to Health Care Procedure Coding System (HCPCS) Procedure Codes
Policy and Billing Changes for HIPAA Compliance

This notice contains multiple policy and billing changes prompted by the Health Insurance Portability and Accountability Act (HIPAA). Please review 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>.

APL Conversion to HCPCS Codes: The department will require that all hospital outpatient and ASTC services be billed using the current APL ICD-9 CM procedure codes in conjunction with the appropriate HCPCS/CPT codes. **Claims submitted must contain HCPCS/CPT procedure codes in conjunction with the APL ICD-9 CM procedure codes.** The 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. Reimbursement for these services will continue to be made based on the highest paying APL ICD-9 CM procedure code billed.

Changes Effective With the Implementation of the 837I Transaction, Regardless of Service

E-mail: dpawebmaster@mail.idpa.state.il.us       Internet: http://www.dpaillinois.com/
Department of Children and Family Services (DCFS) Screening Exam Procedure 0098:
State-generated procedure codes such as 0098 will no longer be billable. Hospitals certified
to provide a DCFS screening examination in the emergency room must use a Source of
Admission 8 in FL 20 on the paper UB-92 or Loop ID 2300, CL102, if billing electronically,
plus an appropriate HCPCS/CPT procedure code to identify this type of service.

Medical Record Number: Since the 837I lists this data element as situational, this field will
not be required for paper or electronic claims received by the department, but the department
strongly encourages hospitals to complete the field.

Outpatient Medicare/Medicaid Crossover Claims: For both electronic and paper claims,
hospitals must utilize value code 24 (Form Locators 39-41 A-D) to report the number of units
(number of departments visited), as described in the *UB-92 for Illinois* manual. Currently,
hospitals use the Revenue Code 001-Total Charge line on the paper UB-92 to indicate the
total number of departments visited, and the department utilizes the number of departments
visited in determining reimbursement.

Medicare Inpatient Part A Exhaust claims: The department will no longer require the
Medicare Explanation of Benefits as an attachment to a hospital claim to verify exhaust of
Part A benefits. These claims (paper or electronic) may be billed using Occurrence Codes
A3, B3, C3, E3, F3, or G3 in FLs 32-35a-b of the UB-92 along with the date Part A benefits
were exhausted, or Loop ID 2300, HI01-HI12, with the appropriate code list qualifier and
date, of the electronic format to indicate exhaust of Part A benefits. The occurrence code
must be utilized as described in the *UB-92 for Illinois* manual.

Spenddown Amount (FL 54P): Providers must use value code 66 along with a dollar
amount in FLs 39-41 A-D of the UB-92 claim format and Loop ID 2300 of the electronic
claim format to identify the patient’s Spenddown liability. Currently, hospitals utilize FL
54P of the UB-92 to denote the dollar amount of the Spenddown liability. Providers must
still submit the DPA 2432 Split Billing Transmittal with paper or electronic claims.

Type of Bill Frequency Digit: Hospitals may use the type of bill (FL 4) frequency digit of 7
(replacement of prior claim) and 8 (void/cancel of prior claim) in electronic and paper claim
transactions. By utilizing these frequency digits, hospitals can reduce or eliminate the need
for preparing a paper adjustment form. If a hospital submits a claim with a frequency digit of
7, indicating that a previously paid claim is to be voided and replaced, the provider number
(FL 51 or Loop ID 2010AA, REF02), recipient ID number (FL 60 or Loop ID 2010BA,
NM109), and original document control number (FL 37 or Loop ID 2300, REF02) must
match those elements from the original claim. If any of those elements will be different on
the replacement claim, the provider must void the original claim with a new transaction using
frequency digit 8, and submit a separate replacement claim with the corrected information
and appropriate bill type. The provider number, recipient number, and original DCN on a
claim with a bill frequency digit of 7 or 8 must match the information of the original claim in
order for that claim to be voided.
**Roll-up of Revenue Code Lines:** Although the 837I can accommodate up to 999 revenue code lines, the department will only process a maximum of 54 revenue lines on a claim. This affects both electronic and paper claims. The department **strongly recommends** that the hospital combine multiple lines of the same revenue code prior to submitting a claim; otherwise, the department will combine them as part of the claim processing.

**AMA Medical Education Number:** The first 10 digits of the AMA Medical Education Number is no longer a valid entry for the attending physician ID and other physician ID fields. This affects paper and electronic, inpatient and outpatient claims.

Providers should refer to Chapter 300, the Handbook for Electronic Processing, which is available on the department’s Web site at <http://www.state.il.us/dpa/html/chapter300.htm>. This handbook contains the companion guides for all X12 and NCPDP electronic transactions to the department. **Providers will be informed via the department’s Web site when the department is ready to implement the 837I transaction.** Any questions regarding this notice may be directed to your facility’s medical assistance consultant in the Bureau of Comprehensive Health Services at 217-782-5565.

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Administrator
Division of Medical Programs