

ATTENTION OASAS CERTIFIED PART 822 OUTPATIENT: CLINIC; REHABILITATION; AND, OPIOID PROGRAMS

This notification provides OASAS programs with detailed information regarding:

	Action	Applies To
Item One	Utilization Threshold (UT) Processing:	All OASAS certified Freestanding and Hospital Based Part 822-4 clinics. UT does not apply to any Opioid or Outpatient Rehabilitation Programs.
Item Two	OASAS APG Interim Claims Reprocessing:	All Freestanding OASAS Certified Part 822: Clinics Rehabilitation and Opioid Programs.
Item Three	The Concurrent scheduling / timing of Utilization Threshold (UT) Processing and APG Interim Claims Reprocessing.	As defined Above. Processing will be concurrent, with UT processing to begin July 1, 2012. APG Reprocessing will begin July 16, 2012.

Summary Overview:

Item One: Utilization Threshold Processing: UT processing will begin July 1, 2012

To avoid an across-the-board Medicaid cut in 2011-12, OASAS (and OMH) implemented a new Utilization Threshold (UT) program for outpatient clinic visits pursuant to Medicaid Redesign Team Proposal #26. Under this proposal, mental hygiene clinic Medicaid payments will be automatically reduced according to patient-specific utilization standards or thresholds. For patients that exceed the UT thresholds, claims submitted by the provider will be reduced by specific percentages. The UT program became effective April 1, 2011.

Full UT details are discussed in Attachment "A" of this transmittal.

Item Two: APG Interim Claims Reprocessing For Freestanding OASAS Certified Part 822: Clinics Rehabilitation and Opioid Programs: APG Reprocessing will begin July 16, 2012.

OASAS Certified Freestanding Outpatient Clinic / Rehabilitation and Opioid Programs began APG interim claiming on July 1, 2011 and July 4, 2011 respectively. During the interim period programs were instructed to submit claims using the pre APG rate code in the header and the APG service codes at the line level. Programs were also informed that, at a future date, the interim period claims would be reprocessed to APG claims. The interim claiming period ended December 31, 2011 for Outpatient Clinic / Rehabilitation Programs and January 1, 2012 for Opioid programs. Previously released interim claim instructions, and the activation of the APG rate codes in the freestanding program may be seen at: <http://www.oasas.ny.gov/admin/hcf/APG/index.cfm>.

Full APG reprocess details are discussed in Attachment "B" of this transmittal.

Item Three: Starting July 1, 2012 Concurrent Scheduling / Timing of Utilization Threshold (UT) Processing and APG Interim Claims Reprocessing.

The UT is by its nature a reduction in program payment, however the APG reprocess in most instances is either revenue neutral or yields a modest revenue increase. As such, to minimize the time associated with the APG

Interim claims reprocessing and mitigate the retroactive application of the UT reduction, the retroactive UT claims process will be done concurrently with the APG Interim claims reprocess. Specifically, UT processing would begin July 1, 2012 and APG reprocessing will begin July 16, 2012.

Questions regarding:

The UT proposal should be directed to the OASAS Bureau of Health Care Financing at (518) 457-5312.

APG Claims Reprocessing questions should be directed the APG mailbox: APG@oasas.ny.gov.

Sincerely,

Kathleen Caggiano – Siino
Executive Deputy Commissioner

Michael A. Lawler
Associate Commissioner
Division of Fiscal Administration

Attachments A, B,

Attachment A: Utilization Threshold (UT)

To avoid an across-the-board Medicaid cut in 2011-12, OASAS (and OMH) implemented a new Utilization Threshold (UT) for outpatient clinic visits pursuant to Medicaid Redesign Team Proposal #26. The following describes how OASAS will implement Utilization Threshold (UT)

Note that the term "visit" means the calendar date that the patient was at the clinic. On that "visit" date, the patient could receive one or more "services" (e.g., an individual counseling service and a group service) while the UT is only counted against the "visit" date.

- Utilization Threshold (UT) will be established based on the number of visits (not services provided) a patient received at a specific OASAS certified Part 822.4 outpatient clinic during a 12-month period (April 1st through March 31st) Outpatient rehabilitation and methadone services are excluded.
- OASAS has established two thresholds for outpatient visits. The first will be set at 75 visits and the second will be set at 95 visits.
- For patients that exceed 75 outpatient visits per year at the same provider, all claims submitted by the provider in excess of 75 visits will be reduced by 25 percent. In cases where patients exceed 95 visits, those claims will be reduced by 50 percent.
- OASAS believes that these thresholds are clinically appropriate. OASAS has reviewed actual Medicaid Part 822-4 program claiming data for the past two years and have found that less than seven (7) percent of the patients receiving outpatient services would have exceeded these thresholds.
- Utilization Thresholds (UT) will be implemented retroactively to dates of service beginning April 1, 2011.

Question One: What dates of service will be impacted by UT and when will the OASAS programs begin to see the associated take backs?

Response One: Utilization Threshold take-backs apply to the first 12 month time period 4/1/11 – 3/31/12; and then the second take back period is 4/1/12 – 3/31/13. UT reprocess will begin 7/1/12 starting with oldest claims processed first, and will occur every two weeks until the reprocess is complete.

Question Two: If the patient receives services at a different Part 822-4 program does the patient's UT count follow them to the next program OR does the UT count restart at the second program?

Response Two: The UT count is specific to a patient while receiving services at a specific Part 822-4 program. If the patient receives services at a separate Part 822-4 program, the UT count begins from zero at the second program.

Question Three: A Medicaid patient is admitted to the Part 822-4 on January 15th. What happens on April 1st?

Response Three: The UT visit count starts all over again.

Question Four: How will the UT reduction be applied? Do programs or billing vendors have to amend claiming information or will the reduction be automatically applied at the state level?

Response Four: No changes are required on the incoming claim for this Utilization initiative. The reductions will be calculated automatically by the eMedNY claims processing system. If a claim has a reduction, the actual reduction amount will be displayed in the electronic remittance. Specifically, the reduction amount will be

identified by the HIPAA compliant Claim Adjustment Reason Code 137, located in the CAS segment of the 2100 loop.

Question Five: Some patients receive a high volume of visits because of an outside mandate (e.g., a court order). Is there a waiver process to request that these visits be excluded?

Response Five: There is no waiver process in place to request that mandated services be excluded.

Question Six: Some patients are clinically complex and must receive a high volume of visits that place their visit count into the UT payment reduction bands. Is there a waiver process to request that they be excluded?

Response Six: There is no waiver process to request that visits in excess of the 75 and 95 visit threshold be excluded for the UT visit count.

Attachment B

OASAS Ambulatory Patient Group (APG) Interim Claims Reprocessing Start Date July,16 2012 and will apply to dates of service 7/1/11 – 12/31/11 (clinics and outpatient rehabilitation) and 7/4/11 – 1/1/12 (opioid).

! Programs are reminded that prior to the 7/16/12 APG reprocess begin date - to ensure that claims for dates of service between the 7/1/11-12/31/11 Clinic and Outpatient Rehabilitation and 7/4/11-1/1/12 Opioid are accurately coded at the line level to ensure the adjustment/re-adjudication renders a correct reimbursement amount for the delivered services. Even for claims that did successfully reprocess under the DOH reprocessing, program may still need to make line level coding adjustments in order to receive accurate payment.

Details below.

- OASAS Certified Freestanding Outpatient Clinic / Rehabilitation and Opioid Programs began APG interim claiming on July 1, 2011 and July 4, 2011 respectively.
- During the interim period, programs were instructed to submit claims using the pre-APG rate code in the header and the APG service codes at the line level.
- Programs were also informed that at a future date the interim period claims would be reprocessed to APG claims and associated reimbursement levels.
- OASAS APG reprocessing of freestanding interim period claims will begin on 7/16/12 and will apply to dates of service 7/1/11 – 12/31/11 (clinics and outpatient rehabilitation) and 7/1/11 – 1/1/12 (opioid).
- NYS DOH will process these retroactive adjustments centrally.
- This reprocessing will convert the reimbursement amount from the prior threshold amount to the APG reimbursement amount. The reimbursement amount will be derived from the claim's line level CPT / HCPCS coding detail.
- For claims that have already been submitted for dates of service before January 1, 2012 for Clinics and Outpatient Rehabilitation, and January 2, 2012 for Opioid Programs, providers are **not** required to go into these claims and switch them over to the APG rate codes.
- The APG reprocess will not alter the patient control number. As such programs will be able to utilize the program developed patient control number to follow a claim through the reprocess and identify pre and post reimbursement amounts.
- Once the reprocessing has been completed by DOH, programs will be responsible for their own reprocessing of claims that were denied upon initial submission or during the DOH reprocessing. These resubmitted claims would use the APG rate codes in the claim header.
- The APG reprocess will take place in batches, with oldest claims processed first, and will occur every two weeks until the reprocess is complete. NOTE: Development of a set start and end schedule is not possible as the volume associated with reprocessing APG claims across the overall Medicaid system is expected to be significant with the exact number of reprocess unknown.