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April 25, 2016

MEMORANDUM

<u>MEMO NO.</u>
QI-1603

TO: QUEST Integration Health Plans

FROM: Judy Mohr Peterson, PhD
              Med-QUEST Division Administrator

SUBJECT: MEDICAID FEE SCHEDULE - CLARIFICATION

It has been brought to the attention of the Med-QUEST Division (MQD) that some QUEST Integration (QI) health plans are making coverage and payment decisions based on the Medicaid Fee Schedule published on the MQD website www.med-quest.us.

After reviewing the posted fee schedule, the MQD has identified the following issues:

1. The fee schedule was last updated in 2013. Since that date, codes have been added, replaced or eliminated, and coverages changed. These changes are not reflected on the fee schedule.

2. The footnote at the bottom of each page of the fee schedule **used** to read: "Note: Any procedure code with payment of $0.00 is a non-covered service." This is incorrect. The posted Medicaid fee of $0.00 can represent any of the following:

   a. The code is not covered;

   b. The code requires a modifier for submittal and payment. (Example: used or rented Durable Medical Equipment (DME);

   c. The code is allowed for a specific agency or provider (Example: ground mileage for a private ambulance company);

   d. The code is for an item or service that require prior authorization with pricing determined after review of documents submitted by the provider. (Examples: customized DMEs and miscellaneous supplies).

   e. The code is for a service that requires review with pricing determined upon review of operative notes. (Example: a Category III temporary code in the format of ####T).

   f. The code is for a medication. The provider should submit the code with a NDC (National Drug code) number to Xerox Pharmacy Benefit Manager for the Medicaid Fee-For-Service program.

To avoid further confusion, the MQD has inserted the following disclaimer that will preface the currently posted fee schedule:

This Medicaid Fee Schedule was last updated in 2013. Codes that have been changed, added, or deleted since then are not included in this fee schedule. A zero ($0.00) payment listed on this fee schedule for any code does not mean that the code is not covered by Hawaii's Medicaid program. Please contact the QUEST Integration (QI) health plan in which you participate for current coverage information. If you are calling for information on coverage by the Medicaid Fee-For-Service (FFS) program, please contact Xerox at 952-5570 or (Toll Free) 800-235-4378.

If you have any questions, please contact Priscilla Thode at 692-8165.