



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
Med-QUEST Division
Health Coverage Management Branch
P. O. Box 700190
Kapolei, Hawaii 96709-0190

July 13, 2006

MEMORANDUM

ACS M06-11

To: All Medicaid Providers

From: Angie Payne, Acting Med-QUEST Division Administrator

SUBJECT: MEDICARE DENIAL CODE PR49

Effective April 1, 2006, Medicaid will no longer allow payment of laboratory services (CPT range 80000-89999) when the first or only diagnosis is a screening/routine diagnosis (VXX) and the laboratory service was denied by Medicare with Medicare claim adjustment reason code "PR49—(Patient Responsibility) these are non-covered services because this is a routine exam or screening procedure done in conjunction with a routine exam." The Medicare/Medicaid dually eligible patient CANNOT be balanced-billed.

Medicaid Provider Bulletin September 2005, page 2, provides information to Medicaid providers regarding billings for Medicare coordinated claims. Instructions were provided on Medicare denial codes that Medicaid will reimburse and the process that providers need to follow to receive Medicaid reimbursement.

Should you have questions, please call the ACS Provider Inquiry Unit at 952-5570 or 1-800-235-4378 from the neighbor islands.