

APA-1

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control No: 560 Department or Agency: Alabama Medicaid Agency

Rule No: 560-X-6-.02 (1), (4)

Rule Title: Submission of Claims – General  
         New Rule; X Amend;          Repeal;          Adoption by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? no

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? yes

Is there another, less restrictive method of regulation available that could adequately protect the public? no

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? no

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? no

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? yes

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Does the proposed rule have any economic impact? no

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

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Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer: Stephanie [Signature]

Date: 3-16-12

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**ALABAMA MEDICAID AGENCY**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE:** 560-X-6-.02 Submission of Claims - General

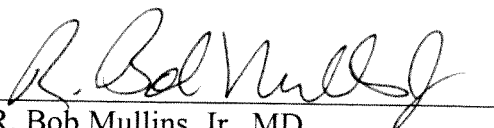
**INTENDED ACTION:** Amend 560-X-6-.02 (1), (4)

**SUBSTANCE OF PROPOSED ACTION:** The above referenced rule is being amended to allow physicians who submit claims for Substitute Physicians and Locum Tenens Physicians with a reciprocal arrangement to submit claims using modifiers Q5 (Services Furnished by a Substitute Physician under Reciprocal Arrangement) and Q6 (Services Furnished by a Locum Tenens Physician), and change the reciprocal arrangement days from 90 to 60.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624, 334-242-5833. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:** Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than May 4, 2012.

**CONTACT PERSON AT AGENCY:** Stephanie McGee Azar, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624.

  
R. Bob Mullins, Jr., MD  
Commissioner

**Rule No. 560-X-6-.02. Submission of Claims - General**

(1) Effective March 1, 2010, all claims that do not require attachments (TPL denial), manual review (unclassified J codes), and an Administrative Review override by Medicaid or additional information to be printed on the claim (Work Incentive Program) must be submitted electronically to HPES. All paper claims received by HPES which do not meet the above requirements will be returned to the provider without being processed. Paper claims meeting the requirements should be submitted on HCFA CMS-1500 (Health Insurance Claim) forms. Each claim filed by a physician constitutes a contract with Medicaid.

(2) For claim filing limitations, refer to Chapter 1, Rule 560-X-1-.17.

(3) Physicians who want to participate in the Alabama Medicaid Program must be enrolled and receive a provider number.

(4) Claims must include the name and Medicaid NPI provider number of the physician who takes responsibility for the services. The provider NPI number must identify the responsible individual, not a group or institution. Reimbursement may be made to a physician submitting a claim for services furnished by another physician in the event there is a reciprocal arrangement as long as the claim identifies the physician who actually furnished the service. The regular physician shall identify the services as substitute physician services by entering HCPCS modifier Q5 (Service Furnished by a Substitute Physician under a Reciprocal Arrangement) or HCPCS modifier Q6 (Service Furnished by a Locum Tenens Physician) after the procedure code. The substitute physician ~~should~~ must be enrolled with Medicaid as an active provider. The reciprocal arrangement may not exceed 14 continuous days in the case of an informal arrangement or 90 60 continuous days in the case of an arrangement involving per diem or other fee-for-time compensation. The regular physician should keep a record on file of each service provided by the substitute physician and make this record available to Medicaid upon request. Payment may not be made for services provided by providers who have been suspended or terminated from participation in the Medicaid program. See Rule No. 560-X-4-.04 for details. Claims will be subject to post-payment review. Refer to the Alabama Medicaid Provider Manual, Chapter 28 for information regarding modifiers Q5 and Q6.

(5) Incomplete or inaccurate claim forms submitted for processing will be returned to the provider by the Medicaid fiscal agent for the necessary information.

(6) Before submitting a claim, a careful check should be made to see that the Medicaid identification number agrees with the number and exact spelling of the name on the patient's plastic Medicaid eligibility card.

(7) In filling out claim forms, providers must use diagnosis codes from the ICD-9-CM Code Book and procedure codes from the CPT Code Book, or approved procedures codes designated by Medicaid.

(8) Factoring arrangements in connection with the payment of claims under Medicaid are prohibited.

(9) Medicaid's fiscal agent will furnish to new providers a manual containing billing instructions.

(10) Pharmacists must have the physician's license number prior to billing for prescriptions. Refer to Chapter 16.

(11) Fragmentation of procedures, including laboratory procedures, under the Medicaid program is prohibited.

**Author:** Desiree Nelson; Program Manager; Medical Support

**Statutory Authority:** Title XIX, Social Security Act; 42 C.F.R., §§ 401, et seq.; State Plan; Omnibus Budget Reconciliation Act of 1990 (Public Law 105-508).

**History:** Rule effective October 1, 1982. **Amended:** effective March 12, 1984; November 11, 1985; March 12, 1987. **Emergency rule** effective April 1, 1991.

**Amended:** effective July 13, 1991; October 13, 1992; March 15, 1994; January 12, 1995; June 14, 2002. **Amended:** Filed March 20, 2012.