



Automated Medical Payments

# Medicaid Bulletin Colorado Title XIX

Fiscal Agent



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## Medicaid Provider Services

303-534-0146  
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## Mailing Addresses

Claims & PARs  
P.O. Box 30  
Denver, CO 80201-0030

Correspondence, Inquiries & Adjustments  
P.O. Box 90  
Denver, CO 80201-0090

Provider enrollment, Provider information,  
Changes, Signature authorization,  
and Claim requisitions  
P.O. Box 1100  
Denver, CO 80201-1100

Medicaid Fiscal Agent Information  
on the Internet  
[coloradomedicaid.acs-inc.com](http://coloradomedicaid.acs-inc.com)

Medicaid bulletins contain important policy and billing information and should be shared promptly with billing staff.

Bulletins supplement information in the Medicaid Provider Manual and should be retained with the provider manual for reference. Retain all bulletins until published notification advises that the information is obsolete or reproduced in subsequent bulletins or provider manual updates.

Please direct questions about bulletins and billing information to Medicaid Provider Services.

Distribution: Hospitals, FQHCs, RHCs,  
HMOs & MHASAs

May 2002

Reference: B0200132

## Effective May 1, 2002

The Medicaid claims processing system was corrected to meet Medicaid UB-92 claim diagnoses requirements. *Only* the primary diagnosis code on UB-92 inpatient and outpatient claims will be used to determine if clients are covered by a managed care plan. Additional diagnoses listed on the UB-92 claim will not affect the way the claim is processed for coverage by a PHP or MHASA. All diagnosis codes on claims will be checked for validity and will be used in determining the Diagnosis Related Grouping price for inpatient services.

If the primary diagnosis on a UB-92 inpatient or outpatient claim is:

1. A covered medical diagnosis *and*
2. The client is enrolled in a Prepaid Health Plan (PHP)

The claim will deny with edit 0308.

If the primary diagnosis on a UB-92 inpatient or outpatient claim is:

1. A covered mental health diagnosis *and*
2. The client is enrolled in a Mental Health Assessment and Services Agency (MHASA)

The claim will deny with edit 1457.

The provider should have the Medicaid denied charges prior authorized before submitting the denied charges to the client's PHP or MHASA.

Edit	Description
0308	The services must be billed to the HMO/PHP listed on the eligibility inquiry
1457	Bill the service to the MHASA provider. Check the eligibility inquiry for coverage and the current MHASA Medicaid bulletin information.

Prior to May 1, 2002, the system incorrectly considered additional diagnoses listed on the UB-92 claims and these edits did not set.

All inpatient and outpatient claims submitted from July 1, 2001 though April 30, 2002 will be reviewed for incorrect payments.

### **Payments will be recovered during June 2002 if:**

1. The client was enrolled in a PHP and the primary diagnosis on the claim was a covered medical diagnosis  
*or*
2. The client was enrolled in a MHASA and the primary diagnosis on the claim is a covered mental health diagnosis.

Services for recovered payments should be prior authorized, then billed to the appropriate PHP or MHASA.

*All diagnosis codes on claims will be checked for validity and will be used in determining the Diagnosis Related Grouping price for inpatient services.*

Please direct questions about Medicaid billing or the information in this bulletin to Medicaid Provider Services at:

**303-534-0146 or**

**1-800-237-0757 (toll free Colorado).**