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### Billing Changes for Hospitals and Ambulatory Surgical Centers

On December 9, 2016 HFS released billing changes for Hospitals and Ambulatory Surgical Centers (ASCs). **The new billing update is now compliant with federal billing guidelines that went into effect April 1, 2016 – which does NOT allow the coding of G0378 with Evaluation and Management (E&M) Codes under the HFS APL billing guidelines for observation services.** The HFS Ambulatory Procedures Listing requirements have been updated to allow reimbursement of procedure G0378 when billed with G0379, if both are billed with the UB-04 Revenue Code 0762 (treatment / observation room).

With this new information we understand this will require many Hospitals and ASCs to submit corrected claims to IlliniCare Health to be compliant with the Medicaid NCCI edits; please know with the update from HFS IlliniCare Health will relax all timely filing edits to allow providers submit corrected claims where they were previously denied for NCCI edits due to the observation G0378 billed with E&M.

The timely filing limited for corrected claims will be relaxed from 12/09/2016 through 03/31/2017, meaning that **providers will have until 03/31/2017 to correct claims and avoid a timely filing edit** for any claim that has denied for the Medicaid NCCI Regulatory edit with **dates of service 04/01/2016 to 12/31/2016.**

We also understand that HFS will still allow providers to submit claims to FFS using the old methodology that is non-compliant with Medicaid NCCI edits; unfortunately, *IlliniCare Health will not accept this billing methodology and will result in a NCCI denial of the entire claim submission.*

For additional billing clarification, please see CMS.GOV and the Illinois.gov provider notification page here: <https://www.illinois.gov/hfs/MedicalProviders/notices/Pages/prn161209b.aspx>.

As always, we value the care you provide to our members and if you have any questions, please feel free to connect with your Provider Relations representative.