

Provider Memorandum

Revised billing guidelines for hospitals and ambulatory surgical treatment centers

Molina Healthcare of Illinois (Molina) will implement revised billing guidelines for hospitals and ambulatory surgical treatment centers (ASTCs) observation and emergency room services, as outlined in a recent communication issued by the Illinois Department of Healthcare and Family Services (HFS). The revised guidelines, set to take effect immediately, will require changes in the way some procedure codes are billed for observation services for dates of service (DOS) on or after January 1, 2017.

To be in compliance with recent National Correct Coding Initiative (NCCI) edits, the Molina will no longer require the Evaluation and Management procedure codes to be billed in combination with G0378 on claims for observation. New national requirements authorize G0379 to be billed with G0378 instead of the Evaluation and Management codes.

Observation Billing Requirements:

- For DOS billed through December 31, 2016, providers continue using the Evaluation and Management procedure codes with G0378 or may bill G0379 with G0378.
- Revenue Code 0762 must be billed with one of the following HCPCS codes: 99218, 99219, 99220, 99234, 99235 or 99236.

New Observation Requirements:

- For DOS beginning January 1, 2017, all observation claims received must be coded with G0379 and G0378 according to the revised NCCI requirements or the claims will be rejected. Providers must continue to identify two revenue lines for observation, with the first Revenue Code 0762 billed with G0379, and a second Revenue Code 0762 billed with procedure code G0378.
- These coding requirements also apply to claims with Medicare Part B as the primary payer (Medicare crossovers).

Emergency Room Services

- Revenue Code 0450 must be billed with one of the following HCPCS Codes: 99284, 99285, 99291, G0383, or G0384
- Revenue Code 0456 must be billed with one of the following HCPCS Codes: 99282, 99283, G0381, or G0382
- Revenue Code 0451 must be billed with the following HCPCS Code: 99281 or G0380

Please note, this memorandum supersedes previous rules related to Observation and Emergency Room claims billing. The communication issued by the department is available through the following link:

<https://www.illinois.gov/hfs/MedicalProviders/notices/Pages/prn161209b.aspx>.

Molina values you, our providers, and appreciates the services you provide to our Members. Thank you for working together with us and for your continued support as we adopt these new HFS guidelines. Please contact your Provider Service Representative if you have any questions or would like additional training regarding this process. You may also contact the Provider Services Department at (630) 203-3965 or via email at IllinoisProviders@MolinaHealthcare.com.