

March 22, 2007

COUNTY OF LOS ANGELES/DEPARTMENT OF HEALTH SERVICES (DHS)
PHYSICIAN REIMBURSEMENT ADVISORY COMMITTEE

Special Bulletin

**FISCAL YEAR 2005/06
RAISE-UP FOR PHYSICIANS**

Currently, claims are being paid at 29% of the Official County Fee Schedule (OCFS).

There is enough funding for a 3% raise up which will bring funding up to 32% of the (OCFS).



After all DHS reporting has been finalized, another 2 million dollars in funding from CHIP will be forthcoming. Another raise up of 2% will be processed which will bring the paid claim rate to 34% of the (OCFS). The first raise up will go out in the next 30 days and the second one by July 1st.

**FIRST RA & CHECKS
ISSUED FOR FY 06/07**



Submitted claims are being processed. The second RA and Payment were issued on 3/06/07 for a total of 31,315 claims.

NEW FUNDING SB 1773

SB 1773 (Alarcon) was signed by the Governor in late November 2006.



This allows a county's Board of Supervisors to levy additional fines and penalties on certain criminal offenses and require that the revenue be deposited into the EMS Maddy Fund. SB 1773 (Alarcon) was approved by the Board of Supervisor's on 3/6/2007. This will double the SB612 funding. After allocation for administrative cost and to pediatric trauma, 58% will go to the physician reimbursement program. This fund will sunset on January 1, 2009.

CPT CODE CHANGES

PROCEDURE CODES 90780 & 90781
(prolonged services code)

It was decided a few years ago that this code would not be paid.

Below are the procedures which have been followed:



The PSIP program has always followed RBRVS unit values [Medicare Unit Values] for U/C calculation after applying the rules for 'MEDICARE STATUS CODE' indicators.

Up until FY 04-05 [RBRVS UNIT FILE

EFFECTIVE JAN 1, 2004], codes 90780 & 90781 were considered as active [MEDICARE STATUS CODE 'A'] for payment. Therefore, these two codes were always payable until FY04-05 service date claims.

Effective FY 05-06, [RBRVS UNITS FILE EFFECTIVE JAN 1, 2005], MEDICARE STATUS CODE INDICATORS for codes 90780 & 90781 changed FROM 'A' [ACTIVE] to 'I' [INACTIVE].

I = Not valid for Medicare purposes.

Medicare uses another code for reporting of, and payment for, these services. (Code NOT subject to a 90 day grace period).

As PSIP program has always applied Medicare status code stipulations, [unless advised otherwise by County, e.g., codes 99052-54] prior to making payment, effective FY 05-06 service date, claims submitted with codes 90780 and/or 90781 have been denied under remark code 33 [Inactive code].

For your advance information, FY 06-07 service date claims will be processed using RBRVS JAN 1, 2006 Units File for U/C calculation and codes 90780 & 90781 are not present on file.

Alternate codes are 90760 & 90761

BILLING ISSUES

- Remember to re-enroll annually
- Do not wait until the October 31st deadline
- Enrolling early will ensure more timely payments to providers
- Submit claims on an ongoing basis
- Providers should complete and document screening for Third Party Coverage (if applicable)



PHYSICIAN AUDITS

The EMS Agency has started random audits of providers. Providers must comply with all requests for medical and financial records for claims to be audited.



Physicians are ultimately responsible for all claims submitted for their services. The Physician Reimbursement Advisory Committee routinely audits claims. A pattern of inappropriate maximization of coding (up coding) fraudulent coding (such as billing for services not provided) will result in an EMS Agency audit of **ALL** claims submitted by provider.