

# Provider Connection

NEWS FOR MEDCOST'S PPO NETWORK PROVIDERS

April 2011



## AMA Introduces New CPT Modifier 33 for Preventive Services

In response to The Patient Protection and Affordable Care Act (PPACA), the AMA introduced Modifier 33 effective January 1, 2011. This modifier allows providers to identify services that are preventive under pertinent laws and indicates that patient cost-sharing is not applicable. For separately reported services that are specifically identified as preventive, the modifier should not be used. The modifier aids in identification of preventive services and indicates when it is appropriate to waive the deductible associated with a co-pay or coinsurance.

You can find additional information on Modifier 33 from the American Medical Association by [clicking here](#) or by typing <http://www.ama-assn.org/ama1/pub/upload/mm/362/new-cpt-modifier-for-preventive-services.pdf> in your browser.



## New Dedicated E-Mail Box for Credentialing Applications

To help simplify the credentialing process and ensure timely and accurate routing of your credentialing applications, MedCost now has a dedicated e-mail box for providers to submit credentialing information. You can email your credentialing applications directly to [credentialingapps@medcost.com](mailto:credentialingapps@medcost.com). You may still fax or mail your applications to the following:

**Fax:** Credentialing Department  
336-970-2139

**Mail:** MedCost, LLC  
Credentialing Department  
P.O. Box 25347  
Winston-Salem, NC 27114-5347

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## Help Your MedCost Patients Save Money – Make Referrals to In-Network Providers

If you need to refer a MedCost member to another provider for services, please ensure that the provider is also part of the MedCost Preferred network. This will help lower out-of-pocket expenses for the member, as well as the health plan.

To verify MedCost contracted providers, please refer to the MedCost Provider Directory, located on our website at [www.medcost.com](http://www.medcost.com), or contact our Customer Service Center at 800-824-7406.

**MedCost**<sup>+</sup>

# Reminders of Our Credentialing and Re-Credentialing Process

The MedCost credentialing program has been accredited by URAC since 2000. URAC accreditation not only represents a “stamp of excellence” to consultants and employers as they evaluate provider networks but also shows providers that MedCost is held to the highest standards in operational excellence in provider credentialing. Before a physician or facility is added to the MedCost network, the physician or facility must be credentialed and approved. In order for participating physicians and facilities to remain in the network, they also must follow an approval process for re-credentialing every three years.

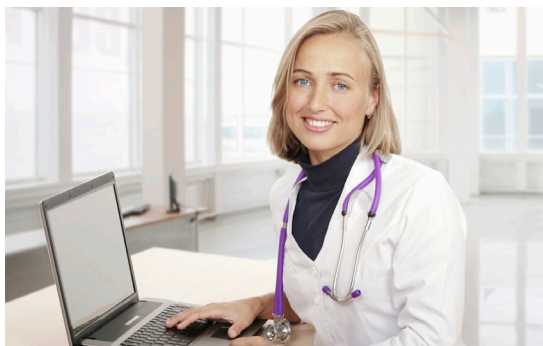
MedCost will notify participating network physicians and facilities of the re-credentialing requirements at least four (4) months before your current credentials expire. Notifications will be emailed or faxed if we have an active e-mail or fax number in our system; otherwise, notifications will be sent by mail. Final notification will be sent via Certified Mail the month before your credentials are set to expire.

MedCost makes every effort to send all notifications to the correct e-mail, fax, or credentialing address and to the person responsible for network credentialing issues. However, we ask that you forward any misdirected notifications to the appropriate person within your organization. Prompt attention to these notifications helps ensure that claims continue to be processed and paid as in-network.

When submitting credentialing information for providers/facilities, please be sure your application is complete and includes the following information:

## Provider Applications:

- Copy of provider's state license
- Copy of the face sheet of your current professional liability insurance policy, indicating name of the practice, name of the provider covered, coverage amounts, effective date, expiration date, and policy number
- Copy of certificate from Specialty Board
- Copy of Curriculum Vitae or work history
- Explanation of all "Yes" responses on the "Professional Information" section of the application
- Residency certificate, if residency was completed within the last 6 months (MDs and DOs must have completed residency)



## Facility Applications:

- Copy of applicable accreditation (JCAHO, URAC, NCQA, ACR, AAAHC, NACC, ACHC, American Lithotripsy Society, CHAP, CARF, AAAASF, American Board for Certification in Orthotics & Prosthetics, ISO9000-(DME companies), AASM, ICAVL, CLIA, Board for Orthotist/Prosthetist Certification - (BOC), HQAA, (DNV) – Det Norske Veritas Healthcare, Inc., The Compliance Team-deemed by CMS, Medicare, AAPSF, Mastectomy Fitter training certificate)
- Copy of state license
- Copy of Medicare certification
- Copy of Medicaid certification
- Copy of current liability insurance
- Copy of secondary or excess liability information

## Follow These Simple Guidelines to Add a Provider to Your Practice

Avoid having credentialing applications for new physicians returned or claims processed as out of network at a reduced benefit level. It's easy when you use the following guidelines to add a provider to your practice:

- **Physicians About to Complete Residency:** A physician cannot be credentialed until he/she has completed residency. Include a copy of the residency certificate or a letter indicating successful completion from the institution in which residency was completed along with the credentialing application. MedCost will return any applications that do not include proof of completing residency.
- **Providers New to Your Practice:** Check with MedCost first to find out if the provider is already in network. If the provider is not in network, you will need to submit a provider credentialing application. MedCost will send written notification of the approved effective date after the credentialing process has been completed. Please do not submit any claims from the new provider until you have received this notification to ensure claims are correctly processed as in network.

You can access provider credentialing applications at [www.medcost.com](http://www.medcost.com). Choose the Physicians and Providers portal, and then click Credentialing Information and Forms from the left sidebar menu. (You can access a NC or SC application.) Once you have completed the application, please email it to [credentialingapps@medcost.com](mailto:credentialingapps@medcost.com) or fax it to 336-970-2139, Attn: Credentialing Department.

## Medical Code Updates

MedCost receives updated Current Procedural Technology (CPT) codes and Healthcare Common Procedure Coding System (HCPCS) numbers from the American Medical Association (AMA) periodically through the year. These codes are changed in our system as soon as they arrive so we can accept claims using the new codes.

Annual CPT and HCPCS updates for the following year are normally received at the end of the last quarter. We strive to have these updates in our system and all pricing established by the end of the first quarter of the year.

If MedCost receives an invalid CPT code on a claim, the claim will be rejected and sent back to the provider for correction.

## Help Prevent Processing Delays: File Claims to the Correct Payer ID and Know Who to Call for Verification of Benefits

When filing claims electronically, please be certain that you are filing to the correct Payer ID. By checking the patient’s ID card, you will be able to determine where to route your claims. For the MedCost Preferred PPO, the ID is 56162. Using an incorrect Payer ID could create an unnecessary delay in your claim being processed and payment adjudication.

Many providers contact MedCost to verify benefits, but we are not a payer and cannot verify benefits or eligibility. To do that, please call the claim administrator listed on the patient’s insurance ID card. Claim administrator names and phone numbers are also available on our web site in the MedCost Reference Guide.

## Remember to Keep Your Provider Demographic Information Current

It is important that your office notify MedCost of any changes in demographic information prior to the effective date of the change. Examples of key demographic information include Tax ID, NPI, Provider Name, Practice Name, and Practice Address. Having accurate information in our system will help ensure that claims are processed correctly and promptly. This also will enable us to provide the most current information to patients and claim administrators. Please fax written notification of any changes to 336-970-2199. It is also important that you notify any other third party vendors, such as clearinghouses and billing agencies, of these demographic changes.

## MedCost Welcomes New Groups

The following new employer groups recently began accessing the MedCost Preferred network (not a complete list):

Company Name	Group #	Employees	Claims Administrator	Eligibility Number
Asheville Radiology Associates PA	9931	205	MedCost Benefit Services	800-795-1023
Cotton Exchange	HCA3200	225	Hewitt, Coleman & Associates	888-298-6828
CPU2	861	235	Meritain Health-Buffalo	877-379-0604
Highland Farms	SF228	132	ACS Benefit Services, Inc.	800-849-5370
Mills Manufacturing Corporation	215	110	Integra Employer Health	800-228-1803
Mock Beroth, Inc.	MBINC98	117	Key Benefit Administrators	800-242-1510
Modern Automotive Network, Inc.	SF386	347	ACS Benefit Services, Inc.	800-849-5370
Price Brothers, Inc.	6859	159	MedCost Benefit Services	800-795-1023
Scotland Memorial Hospital	4951	674	MedCost Benefit Services	800-795-1023
Stevenson Automotive Group	212100	541	DST/Health Solutions/FCC	800-811-3298
University Health Systems of Eastern Carolina	7488	8139	MedCost Benefit Services	800-795-1023

## 5010 Electronic Transactions: Use of PO Boxes and Lock Boxes on CMS 1500 Form

With the implementation of 5010 electronic transactions, providers will no longer be allowed to use a PO Box or Lock Box in the Billing Provider field in box 33 of the CMS 1500 form. Providers will be required to include the practice's physical address in this field. If you use a PO Box or Lock Box to receive payments, you will need to send this information in the Pay-to Provider loop.

For more information on this upcoming change, please [click here](http://www.medicarepaymentandreimbursement.com/2010/10/hippa-5010-and-changes-in-cms-1500.html) or type <http://www.medicarepaymentandreimbursement.com/2010/10/hippa-5010-and-changes-in-cms-1500.html> in your browser.

## INCLUSIVE HEALTH

### Inclusive Health Reduces Its Federal Pool Rates and Spreads the Word Through Statewide Television Ads

Inclusive Health received federal approval to reduce monthly premiums for its new and existing Federal Option members effective January 1, 2011. Rates for people up to age 55 declined by about 10 percent, with reductions for those aged 55 and above of up to 31 percent.

In late December 2010, Inclusive Health kicked off a statewide campaign of TV and billboard ads to raise awareness among uninsured North Carolinians that they do have an affordable health insurance option. The TV ads run on the Time Warner network and are aimed at increasing the number of members enrolled in the Inclusive Health-Federal Option. Use the following link to view the ads online: <http://www.inclusive-health.org/federaloption/testimonials.htm>.

Inclusive Health offered its first health insurance policies in January 2009 and began administering the new temporary federal high risk pool introduced by the Affordable Care Act in July 2010. Known as Inclusive Health-Federal Option, it targets individuals who have been without insurance for at least six months and has currently enrolled 906 members. (North Carolinians who have had health insurance coverage within the last 63 days can obtain insurance through Inclusive Health-State Option, which currently serves 5,668 members.)

MedCost is supporting Inclusive Health by building a provider network specifically for Inclusive Health members. If you would like to be part of the Inclusive Health network, please contact Adrienne N. Golding, Provider Network Representative, at 336-774-4216 or by e-mail at [agolding@medcost.com](mailto:agolding@medcost.com).

## Are You Prepared for 5010 Electronic Transactions and ICD-10 Code Sets?

As published in the Federal Register, the deadlines for implementation of 5010 transaction standards and ICD-10 code sets are January 1, 2012, and October 1, 2013, respectively. It is our understanding that there will not be any delays in implementation, so providers should be testing and running dual processes with their software vendors and clearinghouses during 2011. Some recommendations to aid with the conversion are outlined below:

- Do not rely on your vendors or assume that they will be ready by the implementation deadline.
- Be proactive and ask your vendors for a copy of their compliance plan.
- Develop a contingency plan in case your vendor is not ready for implementation.

MedCost is currently testing with our vendors and will be fully compliant by the required dates, but our compliance will not make you compliant. You will need to take the necessary measures outlined above to make sure you are ready for 5010 transactions.

To ensure timely processing of your claims and avoid delays in reimbursement, please be aware of the following stipulations:

- Any transactions submitted to MedCost on or after January 1, 2012, that are not in the 5010 format will not be accepted.
- MedCost will only accept claims with ICD-10 codes for services rendered on or after October 1, 2013. (This includes ICD-10-CM and ICD-10-PCS.)

## Visit Us at Upcoming Conferences

MedCost will be exhibiting at the following conferences:

### May 11 – 13, 2011

North Carolina Spring Medical Group Management Association (MCMA)  
Wilmington, North Carolina

### August 7 – 11, 2011

Tri-State (GA/NC/SC) Healthcare Management Conference  
Hilton Head, South Carolina

If you plan to attend either of these conferences, please stop by the MedCost booth to speak with our Provider Representatives.

**We hope to see you there!**