A Message to

Business Office Managers

8000 Midlantic Drive, Suite 333, Mt. Laurel N.J. 08054

Memorandum

TO: Business Office Managers at AmeriHealth Participating Hospitals in New Jersey

FROM: Kathleen Mariano
Manager, Provider Relations

DATE: July 29, 2005

SUBJECT: MIDYEAR FEE SCHEDULE RELEASE – AUGUST 1, 2005

With this release, AmeriHealth continues to respond to provider requests for simplified billing requirements that are more in line with the Outpatient Prospective Payment System. Consequently, we have added an additional 162 procedures to the outpatient surgical fee schedule (M-8) and have deleted 45 procedures from the surgical fee schedule (M-8) in accordance with the OPPS status indicator "C" requirement as appropriate only for the inpatient setting. It should be noted, however, that AmeriHealth maintains its intention to reimburse facilities for any and all properly pre-certified or referred procedures regardless of status indicator, as in the past.

We have added four procedure codes to the category 9 fee schedule, three of which are upgraded from the M-8 designation to include payment for the Mammosite™ device (19296-19298), and for Laser Vaporization of the Prostate (C9713) also inclusive of the new technology necessary to provide this service. Following the manufacturers' and CMS guidance, it has been possible for AmeriHealth to price these procedures in a comprehensive manner that eliminates the need for implant and special instrument documentation to be submitted. We believe this will streamline the reimbursement process and shorten the billing cycle for this costly, but cutting-edge technology. With future updates, we will continue to research pricing methodologies in order to provide our members and providers with support for these vital technological advancements.

Additionally, five codes have been added to the radiation therapy fee schedule to accommodate billing for radiosurgery procedures and IMRT. Also, one code each has been added to the laboratory, audiology and pulmonary fee schedules in direct response to provider requests.

A complete listing of additions, deletions and pricing changes is attached. All changes are effective as of August 1, 2005. For all questions of a clinical or technical nature, please contact Carol Dodd, RHIT, Senior Hospital Analyst at 215-241-9413. For all other questions regarding this bulletin, contact Germaine Anderson, Manager Provider Payment, at 215-241-2635. Please share this memo with all appropriate staff members.

Attachment