



Iowa Department of Human Services

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For Human Services use only:

General Letter No. 8-AP-432

Employees' Manual, Title 8
Medicaid Appendix

November 13, 2015

COMMUNITY MENTAL HEALTH CENTERS MANUAL TRANSMITTAL NO. 15-1

ISSUED BY: Iowa Medicaid Enterprise

SUBJECT: **COMMUNITY MENTAL HEALTH CENTERS MANUAL**, Chapter III,
Provider-Specific Policies, pages 22 and 23, revised.

Summary

The **COMMUNITY MENTAL HEALTH CENTERS MANUAL** is revised to:

- ◆ Align with current ICD-10 policies, procedures, and terminology.
- ◆ Update links due to the Department's new website.

Effective Date

October 1, 2015

Material Superseded

This material replaces the following pages from the **COMMUNITY MENTAL HEALTH CENTERS MANUAL**:

<u>Page</u>	<u>Date</u>
Chapter III 22, 23	May 1, 2014

Additional Information

The updated provider manual containing the revised pages can be found at:

<http://dhs.iowa.gov/sites/default/files/CMHC.pdf>

If any portion of this manual is not clear, please contact the Iowa Medicaid Enterprise Provider Services Unit at 800-338-7909 or locally (in Des Moines) at 515-256-4609, or email at imeproviderservices@dhs.state.ia.us.



Day treatment services are considered a total package of services. Do not bill individual therapy or group therapy services separately to Medicaid when these therapy services are being provided during hours in which the member is being served by a day treatment program.

D. PROCEDURE CODES AND NOMENCLATURE

Iowa Medicaid uses the HCFA Common Procedure Coding System (HCPCS). HCPCS codes are divided into three levels.

- ◆ Level 1 is the current CPT-4 codes.
- ◆ Level 2 codes are specifically designed regional five-digit codes beginning with letters A through V, approved by the federal Centers for Medicare and Medicaid Services.
- ◆ Level 3 codes are specifically designed local codes beginning with letters W through Z.

Note that most Level 3 codes (i.e., "local" codes) have been cross-walked to either CPT or Level 2 codes, pursuant to requirements of the Health Insurance Premium and Portability Act (HIPAA) of 1996. The only Level 3 "local" codes that now remain are those that would be considered an "atypical" service by CMS, whose standard for such is:

- ◆ Not rendered by a traditional health care provider,
- ◆ Not a typical health care service, and
- ◆ Not a service normally payable by other health insurance plans or programs.

Claims submitted without a procedure code and appropriate ICD-10-CM diagnosis code will be denied.

Practitioners rendering services under the CMHC's provider number are able to bill for services with the appropriate procedure and diagnosis codes, consistent with their licensure, scope of practice, specialty area, and the service being rendered.



Iowa
Department
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Services

Provider and Chapter

Community Mental Health Centers

Chapter III. Provider-Specific Policies

Page

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Date

October 1, 2015

E. BILLING POLICIES AND CLAIM FORM INSTRUCTIONS

Claims for Community Mental Health Centers are billed on federal form CMS-1500, *Health Insurance Claim Form*.

Click [here](#) to view a sample of the CMS-1500.

Click [here](#) to view billing instructions for the CMS-1500.

Refer to *Chapter IV. Billing Iowa Medicaid* for claim form instructions, all billing procedures, and a guide to reading the Iowa Medicaid Remittance Advice statement.

The Billing Manual can be located online at:

<https://dhs.iowa.gov/sites/default/files/All-IV.pdf>