

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE ARKANSAS

ATTACHMENT 3.1-A  
Page 1b

AMOUNT, DURATION AND SCOPE OF  
SERVICES PROVIDED

Revised: August 1, 2003

CATEGORICALLY NEEDED

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2.a. Outpatient Hospital Services

- (1) For the purpose of determining amount, duration and scope, outpatient hospital services are divided into four types of services:
- Emergency services
  - Outpatient surgical procedures
  - Non-emergency services
  - Therapy/treatment services

Emergency Services

The determination of an emergency medical condition will be in compliance with Section 1867 of the Social Security Act.

**A retrospective review will be performed by the Professional Review Organization (PRO) on a sampling of paid claims.**

Non-emergency services may be necessary in the outpatient hospital setting when qualified physicians are not available in their offices or walk-in clinics to carry out the necessary treatment.

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SERVICES PROVIDED**

**Revised: August 1, 2003**

**CATEGORICALLY NEEDED**

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2.a. Outpatient Hospital Services (Continued)

Outpatient Surgical Procedures

Coverage of outpatient surgical procedures are limited to procedures which the Arkansas Medicaid Program has determined to be safe and effective when performed on an outpatient basis.

Since outpatient surgical procedures are limited to approved services, no additional benefit limitations are imposed.

Treatment/Therapy Services

The covered outpatient hospital treatment/therapy services include, but are not limited to the following:

- Dialysis
- Radiation therapy
- Chemotherapy administration
- Physical therapy
- Occupational therapy
- Speech therapy
- Respiratory therapy
- Factor 8 injections
- Burn therapy

Treatment/therapy services, are included in the outpatient hospital services limit of twelve (12) visits per State Fiscal Year.

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SERVICES PROVIDED

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**AMOUNT, DURATION AND SCOPE OF  
SERVICES PROVIDED**

**Revised: August 1, 2003**

**CATEGORICALLY NEEDY**

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# Arkansas Department of Human Services

## Division of Medical Services

Donaghey Plaza South

PO Box 1437

Little Rock, Arkansas 72203-1437

Internet Website: [www.medicaid.state.ar.us](http://www.medicaid.state.ar.us)

Telephone: (501) 682-8292 TDD: (501) 682-6789 or 1-877-708-8191 FAX: (501) 682-1197

### OFFICIAL NOTICE

**DMS-2003-L-5**

**TO: Health Care Provider – Hospital**

**DATE:**

**SUBJECT: Discontinue Approval by the Professional Review Organization (PRO) for Outpatient Emergency Room Services**

Effective for dates of service on or after September 1, 2003, prior authorization from Arkansas Foundation for Medical Care (AFMC) will no longer be required for procedure code **Z0646, outpatient emergency room services**.

AFMC will perform retrospective, post-payment reviews on a sample of paid claims for local code Z0646 for dates of service on or after September 1, 2003. Retrospective reviews will not be performed for dates of service prior to September 1, 2003.

For claims selected for post-payment review, AFMC will request a copy of the selected Emergency Department chart(s) and other specified information from the billing facility. This request will also include detailed instructions for the retrospective review process.

The retrospective review process is explained in detail in the attachment to this notice.

If you need this material in an alternative format, such as large print, please contact our Americans with Disabilities Act Coordinator at (501) 682-6789 or 1-877-708-8191. Both telephone numbers are voice and TDD.

**If you have questions regarding this notice, please contact the EDS Provider Assistance Center at In-State WATS 1-800-457-4454, or locally and Out-of-State at (501) 376-2211.**

Thank you for your participation in the Arkansas Medicaid Program.

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Roy Jeffus, Interim Director

Attachment

*Arkansas Medicaid provider manuals (including update transmittals), official notices and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website: [www.medicaid.state.ar.us](http://www.medicaid.state.ar.us).*

## **Arkansas Medicaid Program Hospital Emergency Room Services Review Procedure**

This process is effective for hospital emergency room (ER) services provided on or after September 1, 2003.

Prior Authorization from the Arkansas Foundation for Medical Care (AFMC) is no longer required before hospital emergency room services billed under procedure code Z0646 are paid.

### How the new procedure works:

- 1) Patient presents to the hospital ER.
- 2) The decision still must be made whether the patient is emergent or not. Then the patient is assessed utilizing the Prudent Layperson Standard of Care.
- 3) Billing codes are selected based on level of service:
  - Z2279 Assessment
  - Z0647 Non-emergency (referral from PCP necessary)
  - Z0646 Emergency
- 4) All claim types will be submitted directly to Medicaid for payment.
- 5) AFMC will select a sample of paid claims for procedure code Z0646 for review.
- 6) When a claim is selected for review, AFMC will request a copy of the following ER records to be sent to AFMC's Fort Smith office for post-payment review:
  - Copy of complete ER record
  - UB-92
  - Nurse assessment/triage sheet
  - Physician H&P exam in ER
  - Any pertinent lab, x-rays, etc., performed in the ER
- 7) The AFMC ER Review Department will utilize the Prudent Layperson Standard of Care for determination of approval or denial of the services billed.
- 8) If the claim is approved:
  - No recoupment of funds will be made
  - The facility will receive no further communication from AFMC

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Hospital Emergency Room Services  
Review Procedure  
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- 9) If the claim is denied:
  - A denial letter will be sent to the hospital.
  - The hospital may request reconsideration of the denial.
- 10) If the denial of the claim is upheld on reconsideration or if reconsideration is not requested:
  - **Medicaid payment for the claim will be recouped from the hospital.**
  - **Recoupments will be made for procedure code Z0646 service.**
- 11) Arkansas Foundation for Medical Care (AFMC) will continue to produce quarterly trend reports for each hospital in an effort to evaluate patterns in facility practices.