Cook Children's Health Plan

Did you know!

We follow TMHP guidelines when it comes to unlisted Procedure Codes and Manual pricing. Texas Medicaid Provider Procedures Manual states that prior authorization is required for unlisted procedure codes. Every effort must be used to bill with the appropriate CPT code that describes the procedure being performed.

5.2 Authorization Requirements for Unlisted Procedure Codes

Providers have the option to obtain prior authorization before rendering the service if all of the required information is available. When requesting a fee-for-service prior authorization for an unlisted procedure code, providers must submit the following information with the prior authorization request:

- Client's diagnosis
- Medical records that show the prior treatment for this diagnosis and the medical necessity of the requested procedure
- A clear, concise description of the procedure to be performed
- Reason for recommending this particular procedure
- A procedure code that is comparable to the procedure being requested
- Documentation that this procedure is not investigational or experimental
- Place of service in which the procedure is to be performed
- The physician's intended fee for this procedure including the manufacturers suggested retail price (MSRP) or other payment documentation

If any of this information is unavailable at the time the prior authorization is requested, the request will be returned as incomplete; however, this is not a denial of reimbursement. If the required information becomes available before the service is performed, the prior authorization request can be resubmitted, or the required medical necessity and payment documentation can be submitted with the claim after the service is provided to be considered for reimbursement.

The prior authorization number must appear on the claim when it is submitted to TMHP. Claims submitted without the appropriate prior authorization will be denied.

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2.2.6 Manual Pricing

When services or products do not have an established reimbursement amount, the detail or claim is manually reviewed to determine an appropriate reimbursement. The manual pricing methodology for DME and expendable supplies is included with the reimbursement methodology for these products. DME and medical supplies, other than nutritional products, that have no established fee are subject to manual pricing at the documented MSRP less 18 percent or the provider's documented invoice cost.

5.10.1 Authorization and Manually Priced Claims

If prior authorization has been obtained for services that use manually priced procedure codes, providers must submit claims for them using the MSRP that was submitted with the authorization request and the following information that is listed on the authorization letter:

- Authorization number
- Provider identifier
- Procedure codes
- Dates of service
- Types of service
- Required modifiers

If the authorization letter shows itemized details, the claim must include all rendered services as they are itemized on the authorization letter and the MSRP rate for each of those services. The procedure codes and MSRP rates that are detailed on the claim must match the procedure codes that are detailed in the authorization letter and the MSRP rates that were submitted with the authorization request. Claims processing and payment may be delayed if there is not an exact match between the detailed information on the authorization letter, the approved authorization, and the information that was submitted on the claim.

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2.7.17 Reimbursement

DME and expendable medical supplies are reimbursed in accordance with 1 TAC §355.8441. See the applicable fee schedule on the TMHP website at www.tmhp.com.

Providers may be reimbursed for DME either by the lesser of the provider's billed charges or the published fee determined by HHSC or through manual pricing. If manual pricing is used, the provider must request prior authorization and submit documentation of either of the following:

- The MSRP or AWP, whichever is applicable
- The provider's documented invoice cost

Manually priced items are reimbursed as follows as is appropriate

- MSRP less 18 percent or AWP less 10.5 percent, whichever is applicable
- The provider's documented invoice cost

Cook Children's Health Plan will still adhere to the elements of a clean claim as described in the Texas Administrative Code Title 28, Part 1, Chapter 21, Subchapter T, Rule § 21.2803.

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