



JEB BUSH, GOVERNOR

LAURA BRANKER, ACTING SECRETARY

Dear Medicare Crossover Provider:

The State of Florida Medicaid Program is aware that processing problems have occurred for Psychiatric Reduction claims dating back to March 1999. The State, in conjunction with Consultec, is working to improve the problems associated with the computerized processing of claims. Claims will be reprocessed once the computer system corrections have been made. In the meantime, claims can be submitted to Consultec for manual processing. You can submit claims to the following address:

Consultec
P.O. Box 13800
Tallahassee, FL 32314
Attention: Manual Processing of Psychiatric Reduction Claims

Medicare policy has a 62.5% limitation on payment for services. Therefore Medicaid processes claims by subtracting the PR 122 amount; found on the Medicare EOMB, from the Medicare allowed amount (this amount is equivalent to .625 of the Medicare Allowed amount). When submitting claims to Medicaid it is important that the Medicare EOMB reflect the correct Medicare Allowed amount. The Medicare EOMB must be altered to reflect the reduced Medicare Allowed amount.

Submission of Paper Claims

- Psychiatric Reduction must be indicated on the claim for manual processing
- Alter the Medicare EOMB. Calculate the correct Medicare Allowed amount by subtracting the PR 122 amount from the original Medicare allowed amount. This will provide the new Medicare Allowed amount. Indicate the altered amount by the corresponding claim line only. Circle this information as well as initial and date the Medicare EOMB
- Submit the claim and the correctly altered Medicare EOMB
- Indicate Psychiatric Reduction claim on the claim as well as the envelope.



Submission of adjustment claims to Consultec

- Psychiatric Reduction must be indicated on the claim for manual processing
- Follow the instructions in the Provider Reimbursement Handbook, chapter 4 for adjustment claims.
- The Medicare EOMB must be altered. Calculate the correct Medicare Allowed amount by subtracting the PR 122 amount from the original Medicare allowed amount. This will provide the new Medicare Allowed amount. Indicate the altered amount by the corresponding claim line only. Circle this information as well as initial and date the Medicare EOMB
- Submit the claim and the correctly altered Medicare EOMB
- Indicate Psychiatric Reduction claim on the claim as well as the envelope.

Submission of Electronic claims

Do not submit the Medicare Allowed amount on the EOMB. Calculate the correct Medicare Allowed amount by subtracting the PR 122 amount from the original Medicare allowed amount. This will provide the new Medicare Allowed amount. Submission of the new Medicare Allowed amount should result in the correct reimbursement.

Please contact your local Medicaid area office for any additional questions or concerns. The Medicaid area offices will not be able to advise you when claims will be reprocessed. The State of Florida Medicaid program will notify you when the claims will be reprocessed. Thank you for your patience and cooperation in this matter.

Sincerely,

Bob Sharpe
Deputy Secretary for Medicaid