

South Carolina
DEPARTMENT OF HEALTH AND HUMAN SERVICES
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MEDICAID BULLETIN

TO: Hospital Providers

SUBJECT: Replacement and Void/Cancel Claims

A Medicaid Bulletin dated November 17, 2004 was sent to all providers regarding changes to the remittance advice resulting from to implementation of new claim-level adjustments process. Concurrent with this implementation, the Division of Hospitals changed the policy and procedures for submitting Replacement and Void/Cancel UB-92 claims. These changes listed below replace the policies included in the 2000 edition of the Hospital Services manual.

This bulletin only addresses changes to hospital policies and the process for submitting Replacement and Void/Cancel claims. Please reference the Medicaid Bulletin dated 11/17/04 for information specific to changes to the Remittance Advice.

Policy Changes:

- Replacement and Void/Cancel claims may be submitted either electronically or via hard copy.
- The original paid claim will be recouped in its entirety and the Replacement claim will process and pay as a new claim.
- Replacement and Void/Cancel claims may be submitted up to one year from the date of service for outpatient claims or the discharge date for inpatient claims.
- Replacement claims may be submitted to correct changes to services or charges billed regardless of the reimbursement type.
- Medical records to support a DRG change are no longer required.

Procedural Changes

Replacement claims, bill types 117, 137 and 147, should only be used to replace a **paid** claim. If a claim is filed, and you later realize critical information has been omitted, wait until the claim has paid to file a Replacement claim. Always enter the CCN of the paid claim in Item 37. If the original claim rejected, resubmit the original claim with appropriate updates.

Void/Cancel claims, bill types 118, 138, and 148, can only be used to void a **paid** claim. The recipient number and provider number of the Void claim must be identical to those on the paid claim. Always enter the CCN of the paid claim in Item 37.

The submission method of the adjustment does not necessarily have to be the same as the submission method of the original claim; however, when submitting the adjustment, the provider must take into account the detail line limitations of the desired method of submission. For example, if the original claim contains more detail lines than a legacy transaction or hard copy (UB-92) can accommodate, then the adjustment must be submitted electronically in HIPAA compliant format (the 837 Health Care Claim can accommodate up to 999 detail lines).

- A Replacement claim, whether submitted electronically or hard copy, will generate a recoupment of the original claim in its entirety. The Replacement claim is then processed as a new claim and is assigned a different claim control number.
- If the Void of the original claim and the Replacement claim process in the same payment cycle, they will appear together on the remittance advice.
- If the Void and the Replacement claims do not process in the same payment cycle, you will see the recoupment on the first remit and the credit on a subsequent remittance advice. The subsequent remittance advice will include a check date for you to reference the remit showing the Void.

Please direct any questions regarding information contained in this bulletin to the Division of Hospital Services at (803) 898-2665. Thank you for participating in the Medicaid program.

/s/

Robert M. Kerr
Director

RMK/gvts

NOTE: To receive Medicaid bulletins by email or to sign up for Electronic Funds Transfer of your Medicaid payment, please go to the following link for instructions:
<http://www.dhhs.state.sc.us/ResourceLibrary/E-Bulletins.htm>