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MEMORANDUM TO CLIENTS

Date: December 28, 2012

Re: New NJ PIP Regulations

Operative Date: January 4, 2013 for all amendments, repeals, and new rules with the exception of the amendments to N.J.A.C. 11:3-4.7(c)6 and new rule regarding internal appeals (N.J.A.C. 11:3-4.7B) which shall be operative November 5, 2013.

I would like to advise you on the new NJ Department of Banking and Insurance (“DOBI”) changes to the PIP regulations. These adoptions became effective as of 11/5/12 and become operative on **Friday, January 4, 2013.** The complete rules can be found at the DOBI website link: <http://www.state.nj.us/dobi/pipinfo/aicrapg.htm>.

This letter will serve to highlight the essential elements you should be aware of under the new PIP regulations.

I. New Updated NJ Fee Schedule is Effective 1/4/13

We have attached a *pdf* copy of Exhibit 1-Physicians and ASC fee schedule (***Exhibit A***) as well as the updated Daily Maximum Exhibit 6 (***Exhibit B***) for your records. You can also find the specific documentation at the following web links:

Exhibit 1 Physicians and ASC Fee Schedule http://www.state.nj.us/dobi/pipinfo/ex1_130104.pdf

Daily Maximum Cap Exhibit 6 http://www.state.nj.us/dobi/pipinfo/ex6_130104.pdf

✦ Ambulatory Facilities:

- Codes in *Appendix, Exhibit 1* that do not have ASC facility fee column are not reimbursable if performed in an ASC and are not subject to provision (e)- services covered by fee schedules.
- **Multiple Modality Rule Formula for ASC:** “When multiple procedures are performed in an [outpatient surgical facility] in an ASC or in an HOSF in the same operative session, the [outpatient surgical] ASC facility fee or the HOSF fee, as applicable, for the procedure with the highest payment amount is reimbursable at 100 percent and the reimbursement of any additional procedures furnished in the same session is 50 percent of the applicable facility fee.
 - a. A procedure performed bilaterally in one operative session is reported as two procedures and is subject to the MPRF.
 - b. Appendix, Exhibit 1, the Physicians and ASC facility fees and Exhibit 7, the HOSF fee schedule indicates those CPT codes that according to Medicare are except from MPRF.

✦ Random Information:

- Establishing Usual and Customary charges by a provider requires that you provide EOB from payors showing the provider's billed and paid fees.
- **Strapping and Acupuncture effective 1/4/13 will be subject to the daily maximum cap of \$99 per day.**
- NCCI edits continue to apply to NJ PIP matters (especially for chiropractic and physical therapy procedure. Please use modifier 59 when appropriate supported by the treatment records).
- Kinesio taping or other taping not reimbursable under PIP. Kinesio taping shall not be billed using strapping codes.
- NJAC 11:3-29.4(7) – “Where a provider is a different practice or facility [makes] performs a medically necessary review[s] of an imaging study and produces a written report as part of a consultation, the provider shall bill the professional component (modifier -26) for each specific radiology service.” i.e. MRI film Reviews can be billed with a modifier 26 and must be supported with a separate report.

✦ **Surgical Procedures:**

- **CPT code 0232T** for PRP –Platelet Rich Plasma only reimbursable for treatment of chronically injured tendons that have failed to improve despite appropriate conservative treatments.
- **G0289** is treated as add-on code and should be added to knee arthroscopy code. *[Billing of CPT code 29874 and 29877 is not permitted with other arthroscopic procedures on the SAME knee and CPT code 29874 shall not be used to report services described by code G0289]*
- **CPT 22505** “Manipulation of spine requiring anesthesia” can only be reported once for any and all regions manipulated on that date.

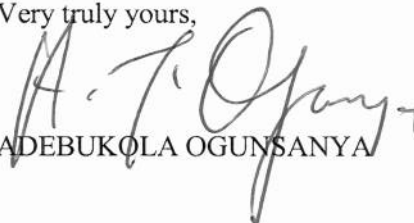
II. NEW Internal Appeal Rules will be effective November 5, 2013. We will provide you with detailed information regarding the internal appeal in the New Year.

If you have any questions please do not hesitate to contact our office at above listed number or via email at mdm@melvinmarx.com

Thank you for your attention.

Happy Holidays!!!

Very truly yours,



ADEBUKOLA OGUNSANYA

AO/ao
Enclosures