



MEMORANDUM

To: Federally Qualified Health Centers in the Magnolia Health Plan Network
From: Magnolia Health Plan, Inc.
Subject: Submitting Claims with Correct Place of Service Code
Date: February 14, 2011

As Magnolia continues to work with our network providers to ensure a smooth transition into Magnolia Health Plan (Magnolia), we have discovered many Federally Qualified Health Centers (FQHCs) have been submitting claims with a place of service code of "11-Office".

Magnolia follows the Centers for Medicare and Medicaid Services (CMS) guidelines for receiving and processing Medicaid claims which designates claims for services rendered and submitted from FQHCs to be billed with the place of service code of "50-FQHC". Claims previously submitted with the incorrect code of "11-Office" have been denied by Magnolia for the use of an incorrect place of service code. If your FQHC has used the incorrect code, you will receive an explanation of payment (EOP) indicating the cause for the claims denial. Because Magnolia wants to ensure timely payment of all claims received, previously submitted claims that have been denied for this reason will need to be resubmitted within 45 days of the EOP.

We apologize for any inconvenience that this billing policy may have caused. Again, we appreciate our partnership with FQHCs in Mississippi and having them as a part of the Magnolia provider network. Please feel free to contact our office at 1-866-912-6285 at your convenience should you have any additional concerns or questions. Our friendly, local provider services staff will be happy to assist you.

Thank you

Magnolia Health Plan, Inc.