



Department of Human Services
Addictions and Mental Health Division

DATE: February 8, 2008

TO: Chemical Dependency Service Providers

FROM: Ralph Summers, M.S.W.
Medicaid Policy Manager

Dana C. Hill
OHP A&D Specialist

RE: Billing Usual and Customary Charge

The Addictions and Mental Health Division (AMH) has reviewed claim records of services provided to Oregon Health Plan (OHP) Members and has noticed that many Chemical Dependency providers are billing at the established upper payment limit rather than at usual and customary charges for their organizations.

Providers must establish reasonable and customary costs of services in accordance with The Office of Management and Budget (OMB) Circular A-87 for state; local Federally recognized Tribal Governments or Circular A-122 for Non-Profit Organizations, or in accordance with other applicable State and Federal Laws, Rules and Regulations. Information on the Circulars may be found at: <http://www.whitehouse.gov/omb/>. Use the search option to locate the Circular that is applicable to your organization.

Providers must bill the State of Oregon for services provided to OHP Members, at your established usual and customary charge in accordance with Oregon Administrative Rule (OAR), General 410-120-1280(2). Usual Charges are further defined in OAR General 410-120-0000(185)(a)(b)(c).

Fee-for-Service claim reimbursement will be made at each provider's usual and customary charge, or AMH's upper payment limit, whichever is less. To view the most current Chemical Dependency upper payment limit table, visit our web site at: <http://www.oregon.gov/DHS/mentalhealth/publications/main.shtml#codebooks>.

If you have questions please call Dana C. Hill, Oregon health plan alcohol and drug specialist, at 503-945-5962 or Jay Yedziniak, AMH Oregon health plan coordinator, at 503-947-5522.

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