

# IHCP *banner page*

INDIANA HEALTH COVERAGE PROGRAMS

BR201916

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## **IHCP to include manually priced procedures in multiple surgery reimbursement reduction, effective June 1, 2019**

Effective June 1, 2019, the Indiana Health Coverage Programs (IHCP) will include manually priced procedures in the reimbursement methodology for multiple surgeries. This applies to all professional and institutional claims. Multiple surgery reductions will be calculated in the claim-processing system for each claim detail line. This calculation will be based on the lower of the billed amount or the IHCP-allowed amount for each unit billed.



### **Professional services**

When two or more covered surgical procedures are performed during the same operative session, multiple surgery reductions apply to the procedures. For multiple surgical procedures billed on a professional claim (*CMS-1500* form or electronic equivalent), the following adjustments apply:

- 100% of the global fee for the most expensive procedure
- 50% of the global fee for the second most expensive procedure
- 25% of the global fee for the remaining procedures

All surgeries that are performed on the same day, by the same rendering physician, must be billed on the same professional claim form. Otherwise, the claim may be denied for an explanation of benefits (EOB) described in the following paragraphs, and the original claim must be adjusted for any additional payment.

### **Outpatient facility services**

The IHCP reimburses facility charges for outpatient surgeries at an all-inclusive rate that includes reimbursement for related procedures. To denote multiple surgeries, the provider must list each appropriate revenue code and procedure code as separate detail line items on the claim (*UB-04* form or electronic equivalent). A maximum of two separate surgical procedures is reimbursable per day when performed in the same facility:

- 100% of the global fee for the most expensive procedure
- 50% of the global fee for the second most expensive procedure

*continued*

### **MORE IN THIS ISSUE**

- [IHCP will mass reprocess claims for inpatient services that adjudicated incorrectly due to present on admission reporting](#)

### Multiple surgery reductions claim processing EOBs

Multiple surgery reductions claims will continue to process with the following EOBs:

- EOB 6651 – *Additional surgical procedure(s) are reimbursable at 50% of Indiana Health Coverage Program's allowable.*
- EOB 6652 – *A surgical procedure code for the same physician for the same date of service has been previously paid. A request for additional surgical payment will need to be completed on the IHCP adjustment form under the original paid ICN so the appropriate multiple surgery reduction can be applied.*
- EOB 9651 – *Surgeries on the same date of service, in excess of two surgeries, are paid at 25 percent of the Indiana Health Coverage Program's allowed.*

Rates for outpatient procedure codes, and ambulatory surgical center (ASC) pricing indicators assigned to procedure codes, are listed in the *Outpatient Fee Schedule*, accessible from the [IHCP Fee Schedules](#) page at [in.gov/medicaid/](http://in.gov/medicaid/) providers. The ASC rates and effective dates associated with ASC pricing indicators are listed in the *ASC Code/Rate* table, also available from the *IHCP Fee Schedules* page.

### IHCP will mass reprocess claims for inpatient services that adjudicated incorrectly due to present on admission reporting

The Indiana Health Coverage Programs (IHCP) has identified a claim-processing issue that affects certain fee-for-service (FFS) institutional claims (*UB-04* paper form or electronic equivalent) for inpatient services processed from September 28, 2018, through March 20, 2019. In error, the claim-processing system applied the present on admission (POA) indicator to diagnosis codes that are exempted from POA reporting. Claims billed for inpatient services may have denied incorrectly for explanation of benefits (EOB) 4276 – *A POA must be entered. A POA of 1 or blank is not acceptable.*

*Note: The IHCP follows the Centers for Medicare & Medicaid Services (CMS) determination for codes exempted from POA reporting. A list of diagnosis codes that are exempt from POA reporting is accessible from the [Coding](#) page at [cms.gov](http://cms.gov).*

The claim-processing system has been corrected. Claims processed during the indicated time frame that previously denied in error for EOB 4276 will be mass reprocessed. Providers should see the reprocessed claims on Remittance Advices (RA's) beginning May 22, 2019, with internal control numbers (ICNs)/Claim ID's that begin with 80 (reprocessed denied claims).

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