

IHCP *banner page*

INDIANA HEALTH COVERAGE PROGRAMS

BR202129

JULY 20, 2021

IHCP revises Hospital Assessment Fee adjustment factors for outpatient and inpatient rates

Effective Aug. 1, 2021, the Indiana Health Coverage Programs (IHCP) will revise the Hospital Assessment Fee (HAF) adjustment factors used for outpatient reimbursement and inpatient diagnosis-related group (DRG) reimbursement for eligible hospitals. These revised HAF adjustment factors apply within the fee-for-service (FFS) and managed care delivery systems, including reimbursement under the Healthy Indiana Plan (HIP), Hoosier Care Connect and Hoosier Healthwise programs.



The change in outpatient and inpatient reimbursement will ensure that aggregate payments to eligible providers reasonably approximate the Medicare upper-payment limits without exceeding those limits. The following adjustment factors are being revised:

- Inpatient DRG base rate is 3.1 (previously 3.2).
- Outpatient rates is 3.6 (previously 3.5).

The following adjustment factors are not changing:

- Inpatient rehabilitation level-of-care (LOC) rate is 2.6.
- Inpatient psychiatric LOC rate is 2.2.
- Inpatient burn LOC rate is 1.0.

The revised adjustment factors will be applied to claims with dates of service (DOS) on or after Aug. 1, 2021.

The adjustment factor does not apply to outpatient laboratory services. Effective Aug. 1, 2021, the adjustment factor will no longer apply to certain drugs and durable medical equipment (DME).

Reimbursement of outpatient laboratory services, which includes the following procedure codes, is not subject to the HAF change:

- Laboratory procedure codes in the Medicare clinical laboratory fee schedule, available from the [Clinical Laboratory Fee Schedule](#) webpage at cms.gov.
- Procedure codes linked to revenue code 636 – *Pharmacy (Extension of 025X) – Drugs Requiring Detailed Coding*
- Procedure codes linked to revenue code 274 – *Medical/Surgical Supplies and Devices – Prosthetic/Orthotic Devices*

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The IHCP will use the date of discharge on inpatient claims to determine which inpatient DRG base rate HAF adjustment factor is used.

To remain within the hospital upper-payment limit, adjustment factors may be revised in the future. Providers will be notified of any change to the adjustment factors through a future IHCP bulletin or banner page.

Reminder of new fraud and abuse detection system vendor and mailing address

Effective July 1, 2021, the Indiana Health Coverage Programs (IHCP) transitioned to a new Fraud and Abuse Detection System (FADS) vendor, Deloitte & Touche LLP.

As announced in *Banner Page* [BR202124](#), providers should use the new mailing address to mail documentation for current audits, requests for administrative reconsiderations and other FADS-related correspondence. Mail sent to the previous vendor's address will be returned to the sender by the U.S. Postal Service. The new mailbox address is:

Deloitte & Touche LLP
Salesforce Tower
111 Monument Circle, Suite 4200
Indianapolis, IN 46204

Please email any questions to ProgramIntegrity.SUR@fssa.in.gov.



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