



## P R O V I D E R   B U L L E T I N

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**To: All Providers****Subject: Enhanced Spend-down Information on the Eligibility Verification Systems****Overview**

Beginning January 1, 2010, providers will see enhanced information for members enrolled under the spend-down provision. The enhanced information will be available to providers who verify member eligibility using the Eligibility Verification System (EVS), including Web interChange, Omni, the Automated Voice Response (AVR), and the Health Insurance Portability and Accountability Act (HIPAA) 270/271 transaction.

**Benefit to Providers**

Bulletin [BT200527](#), dated November 15, 2005, announced important changes resulting from the automation of spend-down processing. Providers will be able to use the enhanced spend-down information to assist members with financial planning for payment of the spend-down. The enhanced information does not change the existing spend-down policy.

**Spend-down Obligation and Disclaimer**

When a provider verifies member eligibility for a member who has a spend-down, EVS will display the dollar amount of the remaining spend-down obligation for the month. Providers may not collect the spend-down obligation from the member at the time of service. Providers may bill the member for the amount credited to spend-down after the claim is adjudicated. Consistent with current spend-down policy, a member's obligation to pay the spend-down begins upon receipt of the Monthly Spend-down Summary Notice, which is mailed to the member on the second business day of the following month.

*Note: Pharmacy providers who bill claims on a Point of Sale (POS) system receive immediate claim adjudication and may collect the amount of the spend-down credit at the time of service.*

In addition to the remaining spend-down obligation amount, providers will also see the following disclaimer:

This amount is based on claims processed at the time of this eligibility verification. It is subject to change at any time following this eligibility verification as claims continue to process in the system. A provider may bill a member for the spend-down amount deducted from the adjudicated claim; however, with the exception of point of sale

(POS) pharmacy claims, the member is not required to pay the provider until the member receives the Monthly Medicaid Spend-down Summary Notice listing the amount applied to spend-down.

The disclaimer reminds providers that the remaining obligation amount is based on real-time data and is accurate at the time of the eligibility verification. Please note the spend-down amount credited on your claim may be different than the amount displayed on EVS. Providers must verify the actual amount credited to spend-down on claims by reviewing the Remittance Advice (RA) 835 financial transaction. Amounts credited to spend-down are shown beside Adjustment Reason Code (ARC) 178, that displays below the claim detail on the Remittance Advice and 835 financial transaction.

## Considerations for Omni Users

Omni users are required to perform a software download on or after January 1, 2010, to activate the changes on the Omni terminal. Providers who use the Omni terminal will find detailed download instructions in Table 1.1 in bulletin [BT200711](#), dated May 3, 2007. Providers must follow the "Additional Instructions" section of [BT200711](#), if needed, after the download is successful.

Questions regarding the Omni download process may be directed to the Omni Help Desk at (317) 488-5051 or toll free at 1-800-284-3548.

*Note* Omni users who do not complete the software download will not receive an eligibility response when the member has a spend-down. The EVS transaction will fail and will not provide a response until the download is completed.

## Contact Information

Questions regarding this bulletin may be directed to Customer Assistance at (317) 655-3240 or toll free at 1-800-577-1278.

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