

IHCP *bulletin*

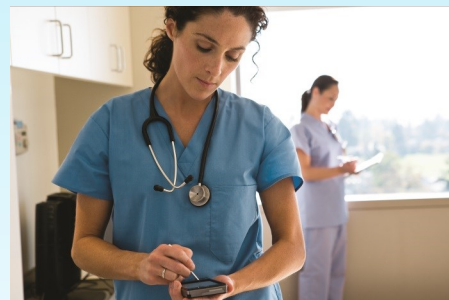
INDIANA HEALTH COVERAGE PROGRAMS BT201443 SEPTEMBER 25, 2014

Changes made to Hospital Assessment Fee factors

Effective September 27, 2014, the Hospital Assessment Fee (HAF) factors used in reimbursement for eligible hospitals will be changed. The increase in inpatient and outpatient reimbursement will result in aggregate payments that reasonably approximate the Medicare upper-payment limits without exceeding those limits. The increase in reimbursement will be based on the following adjustment factors that will be applied to the inpatient diagnosis-related group (DRG) base rate, inpatient level-of-care (LOC) *per diem* rates, and outpatient rates retroactively to dates of service (DOS) on or after

August 1, 2014:

- The adjustment factor for the inpatient DRG base rate is 2.1.
- The adjustment factor for the inpatient rehabilitation LOC rate is 2.6.
- The adjustment factor for the outpatient rates, excluding laboratory services, is 2.7.
- The adjustment factor for the inpatient burn LOC rate is 1.0.
- The adjustment factor for the inpatient psychiatric rate is 2.2.



For inpatient claims, the adjustment factors will apply to claims with “from” dates of service on or after August 1, 2014. Inpatient admissions that occurred before August 1, 2014, will receive the HAF increase based on adjustment factors and parameters published in [IHCP Bulletin BT201412](#), even if the discharge date was after August 1, 2014. For outpatient claims, the adjustment factors will apply to claim detail lines with dates of service on or after August 1, 2014.

Reimbursement for outpatient laboratory services, defined as the procedure codes listed on the Medicare Clinical Laboratory Fee Schedule, are not subject to the HAF increase.

Previously paid claims with DOS of August 1, 2014, through September 26, 2014, will be mass adjusted to apply the reimbursement amounts using the revised HAF factors noted in this bulletin. Mass-adjusted claims will appear on Remittance Advices (RAs) beginning on or after October 7, 2014, and will be identified with internal control numbers (ICNs) that begin with region code 56. The first mass adjustments will be inpatient claims, followed by inpatient crossover, outpatient, and outpatient crossover claims. Due to the volume of claims, the mass adjustment will take several weeks to complete.

QUESTIONS?

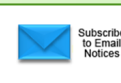
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