IHCP bulletin

INDIANA HEALTH COVERAGE PROGRAMS

BT201725 APRIL 6, 2017

IHCP revises Hospital Assessment Fee adjustment factor for inpatient DRG base rate

Effective **May 6, 2017**, the Indiana Health Coverage Programs (IHCP) is revising the Hospital Assessment Fee (HAF) adjustment factor used in fee-for-service inpatient diagnosis-related group (DRG) reimbursement to eligible hospitals. The change in inpatient reimbursement will ensure that aggregate payments to eligible providers reasonably approximate the Medicare upper-payment limits without exceeding those limits:

- The current adjustment factor for the inpatient DRG base rate is 2.1.
- The revised adjustment factor for the inpatient DRG base rate is 2.5.

The revised adjustment factor will be applied retroactively to claims with dates of service (DOS) on or after **April 1, 2017**.

Previously paid claims with DOS of April 1, 2017, through May 6, 2017, will be mass adjusted to apply the revised HAF adjustment factor noted in this bulletin. Mass-adjusted claims will appear on Remittance Advices (RAs) beginning on or after May 9, 2017, and will be identified with internal control numbers (ICNs)/Claim IDs that begin with 52 (mass replacement non-check related). For claims that were underpaid, the net difference will be paid and reflected on the RA.



The current HAF adjustment factor for outpatient claims can be found in *IHCP Bulletin* <u>BT201722</u>. For all other claim types, the HAF adjustment factors published in *IHCP Bulletin* <u>BT201622</u> remain in effect. Adjustment factors may be revised in the future to remain within the hospital upper-payment limit. Providers will be notified of any changes to the adjustment factors through an IHCP bulletin.

QUESTIONS?

If you have questions about this publication, please contact Customer Assistance at 1-800-457-4584.

COPIES OF THIS PUBLICATION

If you need additional copies of this publication, please download them from indianamedicaid.com.

SIGN UP FOR IHCP EMAIL NOTIFICATIONS

To receive email notices of IHCP publications, subscribe by clicking the blue subscription envelope here or on the pages of indianamedicaid.com.

TO PRINT

A <u>printer-friendly version</u> of this publication, in black and white and without graphics, is available for your convenience.