

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201833 JULY 5, 2018

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

Effective August 1, 2018, 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 to 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. Some managed care entities (MCEs) may have already implemented the revised adjustment factors, which are as follows:

- The revised adjustment factor for the inpatient DRG base rate is 3.1 (previously 2.7).
- The adjustment factor for the inpatient rehabilitation level-of-care (LOC) rate is 2.6 (no change).
- The adjustment factor for the inpatient psychiatric LOC rate is 2.2 (no change).
- The adjustment factor for the inpatient burn LOC rate is 1.0 (no change).
- The revised adjustment factor for the outpatient rates, excluding laboratory services, is 3.0 (previously 2.7).

The revised adjustment factors will be applied to claims with dates of service (DOS) on or after August 1, 2018. 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.

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.



QUESTIONS?

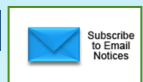
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