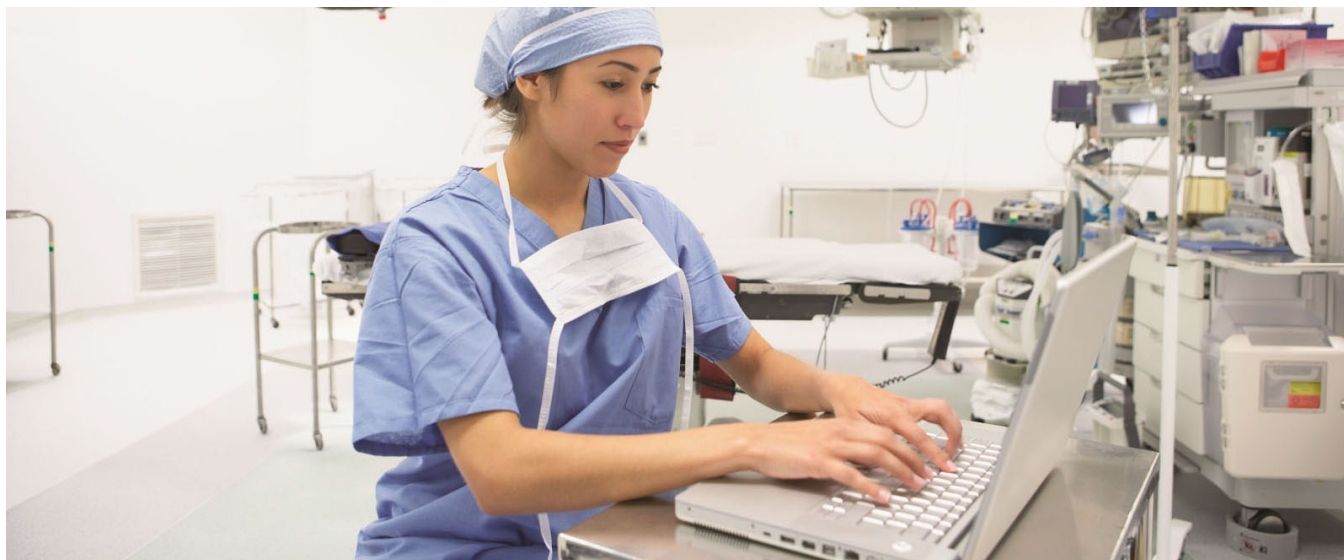


PROVIDER *news*

INDIANA HEALTH COVERAGE PROGRAMS NL201311 NOVEMBER 2013



PA process changed for services reimbursed fee-for-service

All fee-for-service (FFS) prior authorization (PA) requests, including those for Traditional Medicaid and *Care Select* members, are now processed through a single vendor, ADVANTAGE Health Solutions, Inc. This change was effective November 1, 2013.

PAs that were approved before November 1, 2013, will continue to be in effect until their authorized end date, including existing PAs for *Care Select* members approved by MDwise. PAs that were approved before November 1, 2013, will continue to be available in IndianaAIM for claims processing and will not necessitate a new request. See [Indiana Health Coverage Programs \(IHCP\) Bulletin BT201349](#) for more information.

INSIDE STORIES

- [Two questions providers ask most often about ICD-10](#)
- [Sign up for the EHR incentive program](#)
- [CMS ICD-10 Update](#)
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ICD-10 and the APR-DRG

The All-Patient Refined Diagnosis-Related Group (APR-DRG) is the updated classification system used for reporting acute care and inpatient hospital services. APR-DRG enhances the current All-Patient Diagnosis-Related Group (AP-DRG) to address resource intensity, severity of illness, and mortality risk. The APR-DRG contains **314** base DRGs subdivided into **1,262** APR-DRGs.

The 3M™ APR-DRG (version 30) was selected as the grouper for the Indiana Health Coverage Programs (IHCP) ICD-10-based DRG assignment. It accurately captures Medicaid population data and is used in other states. This grouper is licensed by many hospitals in Indiana (60 out of 99) and will be available for testing in first-quarter 2014.

[Continue](#)

The 3M™ APR-DRG will be used for ICD-10, but will not replace the AP-DRG version 18, currently in use, for dates of service (DOS) before the ICD-10 effective date of October 1, 2014. It is the IHCP's intent to move forward with APR-DRG methodology as of October 1, 2014.

The IHCP will implement the APR-DRG (grouper), version 30, for acute care and inpatient claim processing according to the following claim submission parameters:

- Claims submitted with ICD-10 diagnosis and procedure codes on or after October 1, 2014, will group via the APR-DRG
- Claims submitted in ICD-10 will be cross walked to ICD-9 for grouping

Level of care (LOC) and diagnosis-related group (DRG) reimbursement

The IHCP reimburses for hospital inpatient claims on a level of care (LOC) and diagnosis-related group (DRG) hybrid reimbursement system. This hybrid system, consisting of two distinct reimbursement methodologies, will continue as follows:

- The **DRG** system reimburses based on the following criteria: diagnoses, procedures, age, gender, and discharge status
- The **LOC** system reimburses psychiatric, burn, and rehabilitation cases on a *per diem* basis

Claims and processing rates

The following claims processing methods will remain the same; however, the **actual rates may change**.

- DRG rate per case or LOC
- Capital rate
- Medical education rate
- Outlier payment, if applicable
- Transfers

Medical policy

The ICD-10 Medical Policy Team has identified all policies, policy enforcements, business rules, and communications that are affected by ICD-10. Policies were updated based on 2013 ICD-10 codes.

The team continues to perform DRG analytics to make final recommendations on the viability of mapping for DRG assignments. ICD-10 medical policy changes will be published via bulletins beginning first-quarter 2014.

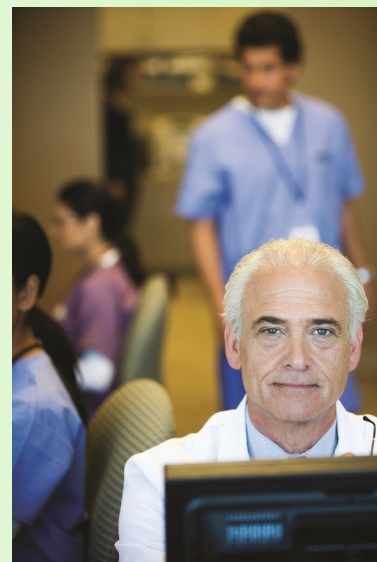
Vendor testing

Vendor testing with the APR-DRG is scheduled for March – June 2014. It will include claims processing and end-to-end testing and testing with the new APR-DRG.

Watch for more information about testing in upcoming IHCP publications and on the [ICD-10 Testing](#) pages at indianamedicaid.com.

More information about the APR-DRG

Visit the [ICD-10 Decisions](#) page at indianamedicaid.com for updates and the **ICD-10 APR-DRG** section of the [ICD-10 Frequently Asked Questions \(FAQs\)](#) page for answers to APR-DRG questions.



Two questions providers ask most often about ICD-10

The following questions are the two most frequently submitted to the Indiana Health Coverage Programs' (IHCP's) ICD-10 Questions mailbox at INXIX.ICD10Questions@hp.com.

Question #1: I am a service provider. Am I affected by ICD-10?

This question has been asked most often and by a variety of providers, including ancillary service providers, such as transportation providers, long-term care facilities, waiver providers, and so on.

The answer is straightforward. If you submit IHCP claims and are required to use ICD-9 diagnosis codes today, you will be required to use ICD-10 diagnosis codes for claims with dates of service on or after October 1, 2014. Only dental and pharmacy service providers are not affected.

As announced in *Indiana Health Coverage Programs (IHCP) Banner Pages BR201210* and *BR201219*, under current policy, **all claims require ICD-9 diagnosis codes** (except pharmacy and dental claims). All claims requiring ICD-9 diagnosis codes will transition to use of ICD-10 codes beginning October 1, 2014. All providers using ICD-9 diagnosis codes will be required to include ICD-10 diagnosis codes with their claims. This includes ancillary service providers.



Question #2: What ICD-10 codes should I use?

The ICD-10 code books are not divided by specialty. **You must be aware of the ICD-9 diagnosis codes you are using today and cross walk them to ICD-10 diagnosis codes. You will use these codes for claims with dates of service on or after October 1, 2014.** The current list of ICD-10 codes is available for purchase from most online publication vendors. Some of the codes may be accessed online by searching for "ICD-10 codes." Crosswalking ICD-9 to ICD-10 codes is addressed in the CMS General Equivalence Mappings (GEMs) publications – see the Centers for Medicare & Medicaid Services (CMS) and the Centers for Disease Control and Prevention (CDC) sections of the [ICD-10 Training](#) page at indianamedicaid.com for links to these publications.



You may also contact your national specialty society for specialty-specific resources that may be available.

To stay current regarding CMS ICD-10 updates, subscribe to the CMS Email Updates at cms.gov. Signup is available from all CMS web pages. To stay current regarding IHCP ICD-10 updates, subscribe to IHCP email notices. Look for the blue envelope that appears throughout the pages of indianamedicaid.com.

Sign up for the EHR incentive program

Incentive payments for the Electronic Health Records (EHR) initiative amount to more than \$125 million since the program's introduction in May 2011. A total of 1,793 eligible professionals and 109 eligible hospitals have benefited from these payments. For more information about EHR, see the [EHR Incentive Program](#) page at indianamedicaid.com.

CMS ICD-10 updates

The Centers for Medicare & Medicaid Services (CMS) has updated the implementation guides available on the ICD-10 [Provider Services](#) page at the cms.gov website. Separate implementation guides are targeted toward large practices, small and medium practices, and small hospitals. Along with updating the implementation guides, CMS, in partnership with Noblis, has introduced a web-based online [ICD-10 Implementation Guide](#).

The online ICD-10 Implementation Guide offers a time line for communication, assessment, planning, testing, and implementation activities. If you delayed getting started, the time to act is now! This resource, along with the End-to-End Testing Checklists available on the CMS [End-to-End Testing](#) page, will help you move forward.

CMS, in partnership with Medscape, offers videos and articles about ICD-10. The Medscape videos allow physicians to earn continuing medical education credits and nurses to earn continuing education credits. Other provider types can participate and receive a certificate of completion. CMS has recently released the following new videos for small practices:

- [ICD-10: A Roadmap for Small Clinical Practices](#)
- [ICD-10: Small Practice Guide to a Smooth Transition](#)

Annual seminar held October 22-24

The 2013 Annual Provider Seminar was held at the Hilton Indianapolis North hotel October 22, 23, and 24. Representatives from HP, ADVANTAGE, Anthem, Managed Health Services, MDwise, and Family and Social Services Administration (FSSA) Program Integrity educated the provider community on topics ranging from provider enrollment to understanding Remittance Advices. Approximately 2,400 providers attended the seminar.

A reception allowed providers to get to know the IHCP representatives in a more casual setting. Providers were greeted by Indiana FSSA Secretary Debra Minott, who mingled with the provider community and thanked each one for their participation in the program.

First-quarter workshops

The first-quarter workshops are currently being planned using several of the ideas provided in evaluations from the annual seminar. Please watch future publications for topics and registration information.



RECENTLY PUBLISHED TO THE IHCP WEBSITE

PROVIDER MANUAL UPDATES

The Revision History in each manual (or chapter) provides detailed information about updates.

- [IHCP Provider Manual](#) – The following chapters of the manual has been updated:
 - [Chapter 2](#) – *Member Eligibility and Benefit Coverage*
 - [Chapter 3](#) – *Electronic Solutions*
 - [Chapter 5](#) – *Third Party Liability*
 - [Chapter 7](#) – *Reimbursement Methodologies*
 - [Chapter 14](#) – *Long-Term Care*

BULLETIN

- [BT201346](#) – Coverage and billing information for the October 2013 quarterly CPT and HCPCS code updates
- [BT201347](#) – Aged & Disabled Waiver renewed
- [BT201348](#) – NSGO Nursing Facility Upper Payment Limit distribution methodology revised
- [BT201349](#) – PA process changed for services reimbursed fee-for-service
- [BT201350](#) – The IHCP updates list of hospital-acquired conditions

NEWS FROM RECENT BANNER PAGES

- [HCPCS Code J7620 covered by IHCP](#)
- [Inpatient newborn claims denied for edit 4099 to be reprocessed](#)
- [Duplicate payments to be mass adjusted](#)
- [RSV season modified to begin October 16, 2013](#)
- [CPT code 37195 ambulatory surgical center pricing indicator assigned](#)
- [CPT code 60512 ambulatory surgical center pricing indicator assigned](#)
- [Submit pharmacy claims with DAW code for preferred multisource brand-name products](#)
- [ICD-10 changes to paper claims](#)
- [Age restriction corrected for CPT codes 76885 and 76886](#)
- [Maximum fee pricing assigned to CPT code 49083](#)
- [Age restrictions for HPV vaccines revised](#)

FOR MORE INFORMATION

- Contact your [Provider Relations Field Consultant](#).
- [IHCP Provider Quick Reference](#) – This reference contains a complete list of addresses, telephone numbers, and fax numbers for the IHCP and IHCP vendors.
- Contact Customer Assistance at (317) 655-3240 in the Indianapolis local area or toll-free at 1-800-577-1278.

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