



# INDIANA HEALTH COVERAGE PROGRAMS

## PROVIDER REFERENCE MODULE

# Out-of-State Providers

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## Revision History

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Version	Date	Reason for Revisions	Completed By
1.0	Policies and procedures as of October 1, 2015 Published: February 25, 2016	New document	FSSA and HPE
1.1	Policies and procedures as of April 1, 2016 Published: November 10, 2016	Semiannual update: <ul style="list-style-type: none"><li>• Reorganized and edited text as needed for clarity</li><li>• Added diagnostic services, including genetic testing, and hospices services to list of covered out-of-state services in the <a href="#">Service Coverage</a> section</li><li>• Updated the <a href="#">Service Restrictions</a> section</li></ul>	FSSA and HPE



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## Introduction

Out-of-state healthcare providers may enroll in the Indiana Health Coverage Programs (IHCP). Out-of-state provider rules are found in *Indiana Administrative Code 405 IAC 5-5*. For information on enrolling as an IHCP provider, see the [Provider Enrollment](#) module.

## Service Coverage

IHCP reimbursement is available for the following services provided outside Indiana:

- Acute general hospital care
- Chiropractic services
- Dental services
- Diagnostic services, including genetic testing
- Durable medical equipment (DME), home medical equipment (HME), and supplies
- Hospice services, subject to the conditions in *405 IAC 5-34-3*
- Pharmacy services
- Physician services
- Podiatry services
- Services rendered by a health services provider in psychology (HSPP)
- Therapy services
- Transportation services

## Prior Authorization for Out-of-State Services

All out-of-state services rendered to IHCP members require prior authorization (PA), except under the following circumstances:

- Emergency services
  - Providers must request PA for continuation of inpatient treatment and hospitalization within 48 hours of admission.
- Adoption Assistance Program members placed outside Indiana
  - Approval must be received for all routine medical and dental care provided out-of-state.
  - Wards of the court placed outside Indiana are treated similarly.
- IHCP pharmacy services that are exempt from PA
- Services rendered in out-of-state areas designated as “in state”

As noted in 405 IAC 5-5-2(c), PA can be granted for any period from one day to one year for covered out-of-state medical services, if the service meets criteria for medical necessity and any one of the following criteria is also met:

- Service is not available in Indiana. However, care provided by out-of-state Veterans Administration and Shriners hospitals is an exception to this requirement.
- Member has previously received services from the provider.
- Transportation to an appropriate Indiana facility would cause undue expense or hardship to the member or the IHCP.
- Out-of-state provider is a regional treatment center or distributor.
- Out-of-state provider is significantly less expensive than the Indiana provider – for example, a large laboratory versus an individual pathologist.

Additional PA specifics are available in the IAC rules referenced at the beginning of this document. Out-of-state medical equipment and supply providers are treated the same as in-state providers for PA. The PA rules are found in 405 IAC 5-5-2 and 405 IAC 5-5-3. For general information about requesting PA, see the [Prior Authorization](#) module.

## Out-of-State Areas Designated as “In State”

The out-of-state cities shown in Table 1 have the same IHCP PA requirements as apply to in-state services.

Table 1 – Designated Areas for In-State PA Requirements

State	City
Illinois	Chicago* (Includes ZIP Codes of 606xx, 607xx, and 608xx)
	Danville
	Watseka
Kentucky	Louisville
	Owensboro
Michigan	Sturgis
Ohio	Cincinnati
	Hamilton
	Harrison
	Oxford
<p>* Per 405 IAC 5-5-2, the following pertains to members obtaining services in Chicago:</p> <p>(4) Recipients may obtain services in Chicago, Illinois, subject to the following conditions:</p> <p>(A) The recipient’s physician determines the service is medically necessary.</p> <p>(B) Transportation to an appropriate Indiana facility would cause undue hardship to the patient or the patient’s family.</p> <p>(C) The service is not available in the immediate area.</p> <p>(D) The recipient’s physician complies with all of the criteria set forth in this article, in accordance with the state plan and Code of Federal Regulations 42 CFR 456.3.</p>	



## ***Out-of-State Suppliers of Medical Equipment***

As noted in 405 IAC 5-5-3, to be treated as an in-state provider for purposes of the PA rule, any out-of-state supplier of medical equipment must comply with the following:

- Maintain an Indiana business office, staffed during regular business hours, with telephone service.
- Provide service, maintenance, and replacements for IHCP members whose equipment has malfunctioned.
- Qualify with the Indiana secretary of state as a foreign corporation.

## **Service Restrictions**

As noted in 405 IAC 5-5-2(b), PA is not approved for the following services outside Indiana, and these services are not covered when provided by any out-of-state provider or out-of-state providers designated as “in state:”

- Services provided by nursing facilities, intermediate care facilities for individuals with intellectual disability (ICFs/IID), or home health agencies
- Services provided by any other type of long-term care (LTC) facility, including facilities directly associated with or part of an acute care general hospital, unless otherwise approved by the Indiana Family and Social Services Administration (FSSA)
- Services provided by any provider type not eligible for enrollment in the IHCP

<p><i>Note: Out-of-state home health and hospice providers are not reimbursed by the IHCP unless the following two conditions are met:</i></p> <ol style="list-style-type: none"><li><i>1. A completed Indiana State Department of Health (ISDH) survey has been sent to the fiscal agent by the ISDH.</i></li><li><i>2. The service location is in a designated out-of-state city listed as an FSSA city in 405 IAC 5-5-2(a), and in <a href="#">Table 1</a>.</i></li></ol>
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## **Reimbursement Rates for Out-of-State Providers**

Enrolled out-of-state hospital providers are reimbursed for inpatient acute care services at diagnosis-related group (DRG) in-state rates or the established reimbursement methodology for Medicaid members in the provider’s state. All other out-of-state hospital procedures and reimbursement methodologies are the same as for enrolled in-state hospital providers. Providers are reimbursed according to the IHCP reimbursement policy.