



# INDIANA HEALTH COVERAGE PROGRAMS

## PROVIDER REFERENCE MODULE

# Out-of-State Providers

LIBRARY REFERENCE NUMBER: PROMOD00011  
PUBLISHED: JANUARY 11, 2018  
POLICIES AND PROCEDURES AS OF JULY 1, 2017  
VERSION: 2.0



## Revision History

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	Scheduled update	FSSA and HPE
2.0	Policies and procedures as of July 1, 2017 Published: January 11, 2018	Scheduled update: <ul style="list-style-type: none"> <li>• Edited text for clarity</li> <li>• Added a note box referring providers to the <i>Medical Policy Manual</i> for policy information</li> <li>• Updated the <a href="#">Introduction</a> section:               <ul style="list-style-type: none"> <li>– Added a reference to the <i>IHCP Provider Enrollment Type and Specialty Matrix</i> for out-of-state provider eligibility and documentation requirements</li> <li>– Included information about retroactive enrollment for out-of-state providers</li> </ul> </li> <li>• Removed the <i>Service Coverage</i> section</li> <li>• Updated the <a href="#">Prior Authorization for Out-of-State Services</a> section:               <ul style="list-style-type: none"> <li>– Clarified PA requirements for services rendered in out-of-state areas designated as “in state”</li> <li>– Removed references to wards of the court</li> <li>– Clarified that out-of-state services provided to members of the Adoption Assistance Program placed out of state still require PA, although all routine medical and dental services are approved for these members</li> <li>– Clarified that DME and HME providers that have a business office in Indiana are treated the same as in-state providers for PA</li> </ul> </li> </ul>	FSSA and DXC

Version	Date	Reason for Revisions	Completed By
		<ul style="list-style-type: none"> <li>• Clarified out-of-state DME and HME PA requirements in the <a href="#">Out-of-State Suppliers of Medical Equipment</a> section</li> <li>• Updated the <a href="#">Service Restrictions</a> section, including replacing the bullet about provider types not eligible for IHCP enrollment with a reference to the <i>IHCP Provider Enrollment Type and Specialty Matrix</i></li> <li>• Updated the <a href="#">Reimbursement Rates for Out-of-State Providers</a> section</li> </ul>	

# Table of Contents

---

Introduction.....	1
Prior Authorization for Out-of-State Services.....	1
Out-of-State Areas Designated as “In State” for Prior Authorization.....	2
Out-of-State Suppliers of Medical Equipment.....	2
Service Restrictions.....	3
Reimbursement Rates for Out-of-State Providers.....	3



# Out-of-State Providers

*Note: For policy information regarding coverage of out-of-state provider services, see the [Medical Policy Manual](#) at [indianamedicaid.com](http://indianamedicaid.com).*

## Introduction

Out-of-state healthcare providers may enroll in the Indiana Health Coverage Programs (IHCP). The [IHCP Provider Enrollment Type and Specialty Matrix](#) at [indianamedicaid.com](http://indianamedicaid.com) lists document requirements for out-of-state providers and indicates which provider types and specialties are ineligible for out-of-state enrollment. 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.

*Note: In cases where an out-of-state provider delivers services to an IHCP member in need of care while traveling, a retroactive enrollment date of up to one year may be considered for approval by the FSSA.*

## 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
  - For continuation of inpatient treatment and hospitalization, providers must request PA within 48 hours of admission.
- IHCP pharmacy services that are exempt from PA
- Services rendered in out-of-state areas designated as “in state,” unless those services would require PA if delivered in state
  - See the [Out-of-State Areas Designated as “In State” for Prior Authorization](#) section.

*Note: Members of the Adoption Assistance Program who are placed outside Indiana will receive approval for all PA requests for routine medical and dental care provided out of 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.

Out-of-state DME and HME providers that have a business office in Indiana are treated the same as in-state providers for PA. See the [Out-of-State Suppliers of Medical Equipment](#) section for details.

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” for Prior Authorization

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:                      (4) Recipients may obtain services in Chicago, Illinois, subject to the following conditions:                      (A) The recipient’s physician determines the service is medically necessary.                      (B) Transportation to an appropriate Indiana facility would cause undue hardship to the patient or the patient’s family.                      (C) The service is not available in the immediate area.                      (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.

All other out-of-state DME or HME providers must adhere to out-of-state PA requirements. All PA requests submitted by DME or HME suppliers must be signed by a physician or, for electronic PA requests, must include an attachment documenting that the service or supply is physician-ordered.

## 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)

See the [IHCP Provider Enrollment Type and Specialty Matrix](#) for additional provider types and specialties that are ineligible to enroll in the IHCP as out-of-state providers.

*Note: Out-of-state home health and hospice providers are not reimbursed by the IHCP unless the following two conditions are met:*

- *A completed Indiana State Department of Health (ISDH) survey has been sent to the fiscal agent by the ISDH.*
- *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 [Table 1](#).*

## Reimbursement Rates for Out-of-State Providers

The IHCP reimburses enrolled out-of-state hospital providers for inpatient acute care services at diagnosis-related group (DRG) in-state rates.

For all other out-of-state hospital services, reimbursement methodologies are the same as for enrolled in-state hospital providers. Providers are reimbursed according to the IHCP reimbursement policy.