

December 1, 1998

To All Indiana Medicaid Transportation Providers:

This is to notify all transportation providers that experienced erroneous co-pay deductions on recent Remittance Advice (RA) statements that the mass adjustment to correct the inappropriate deduction of co-pay from nursing facility resident claims will occur on this weeks RA statement. The claims that are being adjusted were processed originally on Remittance Advance Statements dated 10/6/98 through 11/3/98. The adjusted claims will be identified on this weeks RA with an ICN that begins with 56.

To All Indiana Medicaid Acute Care Hospitals, Distinct Part Psychiatric Hospitals, Rehabilitation Hospitals, Distinct Part Unit Psychiatric Facilities, and Ambulatory Surgical Centers:

In the future, the Office of Medicaid Policy and Planning (OMPP) plans on updating and making changes to both the DRG/Level of Care inpatient and outpatient reimbursement systems. Public notice of the intent to change the methods and standards for setting payment rates for inpatient services was provided on the September 1, 1998 and October 1, 1998 versions of the Indiana Register. A bulletin will be sent to providers detailing the changes and new rates to be implemented for reimbursing Indiana Medicaid inpatient and outpatient services. Billing procedures for both inpatient and outpatient hospital services have not changed. However, as a result of rebasing and updating the DRG system, the Grouper version will need to be updated. The All-Patient (A-P) DRG Grouper Version 11 is currently being used as the Grouper for the DRG system in Indiana. As with the Medicare Grouper, new versions of A-P DRG Grouper are issued periodically. Revised versions of the grouper software are not adopted by the State until the DRG system is rebased or you are notified by the State. At that time, the State upgrades to the most current version of the Grouper. Therefore, as a result of rebasing the DRG system, the State will upgrade to the most current version of the Grouper. With the implementation of the rebased DRG system, Indiana Medicaid will utilize Version 14.1 of the A-P DRG Grouper. While OMPP intends to give providers thirty (30) days advance notice before implementing the new rates, OMPP thought providers might need additional lead time to obtain the Grouper software, in the event you elect to purchase same. If you are interested in ordering a copy of the Grouper, and have a license with 3M you may contact 3M at 1-800-435-7776. If you do not have a license with 3M, call 502-473-7043 or HSS at 1-800-999-3747 to obtain information about Version 14.1 of the A-P DRG Grouper. **Please note:** The new rates for both the inpatient and outpatient reimbursement systems will become effective and be implemented simultaneously. The purpose of providing public notice through the Indiana Register was to allow the public and hospital providers the opportunity to provide comments on the rate and weight changes. The effective date described in the Indiana Register was used as the cut-off date for the public to provide those comments and as a target effective date. Hospitals will be given thirty (30) days notice before the new rates for inpatient and outpatient services become effective and are implemented. Once implemented, the new rates for both services will be prospectively applied.

To All Indiana Medicaid Anesthesia Providers:

This banner page notification is written to inform providers that EDS has corrected the processing problem identified for claims submitted for epidural maternity services. This correction has been made to the epidural pricing logic, which was effective on **August 31, 1998**. Please note that anesthesia claims processed between August 31 and October 4, 1998 were processed erroneously as the system was not recognizing the modifiers in the second and third modifier field (box 24d) on the HCFA 1500 claim form. Effective October 5, 1998, the epidural anesthesia pricing logic was corrected according to guidelines stipulated in Bulletin E95-21 which states that "Providers billing anesthesia services for a vaginal or Cesarean delivery should use the CPT4 procedure code which best describes the service provided plus the modifier (AA). Procedure codes 59409, 59410, 59514, and 59515 should be reimbursed as: "one unit of time for each 15 minute block of time billed in the first hour of service, and for subsequent hours of service calculate one unit of service for every 60 minute block of time billed." **Please note:** EDS will systematically adjust all epidural claims with dates of service September 1, 1995 to October 5, 1998 beginning January 11, 1998.

To All Indiana Medicaid Pharmacy Providers:

The following labeler has entered into a drug rebate agreement and is joining the rebate program effective January 1, 1999:

Boca Pharmacal, Inc. (Labeler Code 64376)

The following labeler has been reinstated into the drug rebate agreement effective January 1, 1999: Consolidated Pharmaceutical Group (Labeler Code 61423)

The following labeler is being voluntarily terminated effective January 1, 1999: Pharmaderm, Div. Of Altana, Inc. (Labeler Code 00462)

To All Indiana Medicaid Pharmacy Providers:

This is to notify all pharmacy providers of changes to the Medicaid Drug Federal Upper Limit (FUL). The following products have been deleted from the Medicaid FUL effective November 22, 1998:

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| Acetylcysteine | 10% Solution, Inhalation 10ml | Propanolol Hydrochloride | 60mg, Capsule, Extended Release, Oral 100 |
| | 20% Solution, Inhalation 10ml | | 80mg, Capsule, Extended Release, Oral 100 |
| | | | 120mg, Capsule, Extended Release, Oral 100 |
| | | | 160mg, Capsule, Extended Release, Oral 100 |
| Lithium Carbonate | 300mg, Capsule, Oral 100 | | |
| | 300mg, Capsule, Oral 1000 | | |
| | | Temazepam | 15mg, Capsule, Oral 100 |
| Bethanechol Chloride | 25mg, Tablet, Oral 100 | | 30mg, Capsule, Oral 100 |

To All Providers with CLIA Certification:

Please be advised that providers holding a CLIA certificate expiring in October, November, or December of 1998 should initiate the process now to renew CLIA certification with their state's department of health. Once a provider has obtained CLIA certification, a copy of the certificate should be mailed to the following address:

EDS
P.O. Box 68420
Indianapolis, IN 46268-0420
Attn: Provider Enrollment Unit

Your immediate attention to this matter will allow provider enrollment adequate time to enter updated information and will ensure there is no break in payment of lab procedure codes.

To All Indiana Medicaid Pharmacy Providers:

The following labelers have entered into drug rebate agreements and are joining the rebate program effective January 1, 1999:

Centocor, Inc. (Labeler Code 57894)

DiHoMa Chemical & Mfg. Corp. (Labeler Code 62294)

Seveen Oaks Pharmaceutical Corp. (Labeler Code 63801)

The following labeler has been reinstated into the drug rebate agreement effective January 1, 1999: Iyata Pharmaceutical, Inc. (Labeler Code 59291)

The following labelers are being voluntarily terminated effective January 1, 1999: Great Southern Laboratories, Inc. (Labeler Code 51301)