IMPORTANT INFORMATION

BR200309 MARCH 4, 2003

To All Providers:

- In Indiana Health Coverage Programs (IHCP) provider bulletin *BT200313*, published February 15, 2003, HCPCS code *A4538 – Diaper service, reusable diaper, each diaper*, was incorrectly identified as covered for all programs. Code A4538 is not covered for all programs, and is not covered for Package C benefits.
- The Health Care Excel (HCE) Medical Policy Department reviewed claims for services provided to Package B members during the postpartum period submitted for state fiscal years 2000to 2002. Some claims were inappropriately paid for such diagnoses as open wound of scalp, nasal bone fracture, conjunctivitis, sprain of ankle, ingrown nail, sinusitis, bronchitis, myopia, astigmatism, and fracture of humerus. Chapter 8, Section 3 of the *IHCP Provider Manual,* states that when the pregnancy ends the Package B member is only eligible for transportation, family planning, and postpartum services. Urgent care services that are unrelated to complications of the puerperium are not reimbursed. Claims for services rendered to Package B eligible members during the 60-day postpartum period must be related to complications of or be a result of the pregnancy. This postpartum eligibility begins on the last day of pregnancy and extends though the end of the month in which the last day of the 60-day period occurs. The primary diagnosis code for postpartum services must be pregnancy-related or the claim will be denied. The pregnancy-related code must be indicated in form location 24E of the HCFA-1500 claim form.

  Note: This includes V codes and 600 series diagnosis codes that relate to pregnancy.

  If the specific reason for the visit or care is not adequately addressed by the pregnancy diagnosis code, the visit or care diagnosis must also be included as a secondary or tertiary diagnosis on the claim form. The pregnancy indicator P must be entered in form location 24H of the HCFA-1500 claim form.
- Under the Health Insurance Portability and Accountability Act (HIPAA), only drugs and biologicals may be billed using a National Drug Code (NDC) on a pharmacy claim form. Consequently, as nutritional supplements are not considered drugs or biologicals, effective April 3, 2003, providers must bill the IHCP for such services using Health Care Common Procedure Coding System (HCPCS) codes billed on the HCFA-1500 claim form. These claims must be submitted to EDS. As of April 3, 2003, nutritional supplements billed with NDCs on the pharmacy claim form will deny.

  Note: Effective for services beginning April 3, 2003, requests for prior authorization (PA) of nutritional supplements must be requested using the appropriate HCPCS codes. If a provider bills for a nutritional supplement after April 3, 2003, and the provider was previously granted PA using an NDC, the provider must contact the Health Care Excel PA Department at (317) 347-4511 or 1-800-457-4518 to request modification of the PA to reflect the appropriate HCPCS code.

- IHCP provider bulletin, *BT200308*, announced completed amendments related to medical and surgical supplies reimbursed by the IHCP. Information provided in the bulletin addressed the current covered incontinence supply codes to be used as of January 1, 2003. Providers dispensing incontinence supplies should remember that the annual maximum allowable reimbursement is $1,950 per member per rolling calendar year. The total reimbursement for any combination of supplies billed using A4335, A4360, A4554, S8401, S8403, S8404, and S8405 is limited to the $1,950 per member per rolling calendar year. Additionally, providers can only supply such services to an IHCP member in 30-day increments. Providers may reference IHCP provider bulletin *BT200130*, dated August 3, 2001, for additional information about the monthly maximum and annual allowance for incontinence supplies per member. Providers must work with families to ensure the needs of the member are met within the $1,950 amount. Routine supplies are included in the per diem for members in LTC facilities and cannot be separately billed to the IHCP.

- IHCP provider bulletin *BT200309*, dated February 17, 2003, informs providers about upcoming workshops for the HIPAA 270/271 transactions and the *Medicaid Select* program. These workshops are being offered in March, April, and May. This bulletin was placed on the IHCP Web site at http://www.indianamedicaid.com on February 6, 2003. The printed version is currently being mailed to providers. Providers may print the registration form from the Web site and fax completed registrations to register for workshops prior to receiving the printed version. The registration deadline for the first workshop is February 25, 2003. Please direct any questions about these workshops to EDS provider representatives at (317) 488-5195.

To All Dental Providers of Mobile Dental Services:

- Effective July 1, 2002, *828 IAC4-1-1* required providers of mobile dental services be licensed as a mobile dental facility. Providers of mobile dental services should contact Health Professions Bureau at (317) 234-2010 for an application, and forward a copy of the mobile dental license to EDS Provider Enrollment by March 15, 2003. The mailing address is:

EDS Provider Enrollment
P.O. Box 7263
Indianapolis, Indiana 46207-7263

To All Long Term Care and Durable Medical Equipment Providers:

- The IHCP recently identified that providers are inappropriately requesting customized wheelchairs for long-term care residents. To qualify for custom wheelchairs, long-term care residents must be strong candidates for rehabilitation and the request for PA should reflect clear medical necessity for the equipment. A physician must sign the PA request. A physical medicine and rehabilitation practitioner (physiatrist) will review all requests before PA is approved. A custom wheelchair should not be requested for long term care residents with 24-hour care for the sole purpose of the following: to provide safety; to allow self-propulsion; to function as a restraint; to prevent a potential medical condition; or to cure a medical condition, including, but not limited to, decubitus ulcers.

To All Medicaid Select Providers:

- A primary medical provider (PMP) certification code is not required for any services submitted on Medicare crossover claims for members enrolled in the *Medicaid Select* managed care program for the aged, blind, and disabled. A PMP certification code is required on claims submitted for *Medicaid Select* members who do not have Medicare coverage for the following services:
  - Physician services not performed by the PMP or a *Medicaid Select* primary care case management (PCCM) enrolled practitioner within the PMPs group practice or clinic
  - Specialty and consultative physician services
  - Hospital inpatient admissions
  - Outpatient services (except for therapy, laboratory, radiology, and pathology services)

  Refer to IHCP provider bulletin *BT200262, PrimeStep PMP Certification Code Changes* for further information about the updated certification code requirements.

To Durable Medical Equipment and Pharmacy Providers:

> *Note: The information referenced below is not directed to those providers rendering services in the risk based managed care (RBMC) delivery system.*

- Banner page *BR200106* dated February 6, 2001, informed providers of a policy in effect since August 1994 that medical supplies, nonmedical supplies, and routine durable medical equipment (DME) items for members residing in a long term care facility such as nursing facilities, intermediate care facilities for the mentally retarded (ICFs/MR), and community residential facilities for the developmentally disabled (CRFs/DD) cannot be billed to the IHCP. The cost for these services is included in the facility per diem rate. An analysis performed on these claims determined inappropriate payment. A mass adjustment was performed on December 3, 2002, for the providers that billed for medical supplies, nonmedical supplies, and routine DME items provided to members in long-term care facilities. This mass adjustment was inappropriately processed and will run again the week of February 10, 2003, with results appearing on the RAs dated February 18, 2003. Refer questions about this mass adjustment to Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.

To All Nursing Facilities:

- This article provides information about the procedures for providers requesting an exception to the 65 percent minimum occupancy requirements. Providers requesting an exception to this requirement should submit a written request and any supporting documentation to Myers and Stauffer, LC. Myers and Stauffer, LC, will notify the provider of the determination of the exception request by means of the rate notification letter that is applicable to the effective date of the request. Providers should continue to send exception requests to Myers and Stauffer, LC, at 8555 North River Road, Suite 360, Indianapolis, IN 46240.
- This is to remind nursing facilities of the cost report filing requirements effective July 1, 2002. Pursuant to *405 IAC 1-14.6-4(a),* each provider shall submit an annual Medicaid financial report no later than the last day of the fifth calendar month after the close of the provider's reporting year. In addition to the Medicaid financial report, nursing facilities that are certified to provide Medicare-covered skilled nursing facility services are required to submit both a written and electronic cost report (ECR) file copy of their Medicare cost report that covers their most recently completed historical reporting period. To avoid a 10 percent penalty pursuant to *405 IAC 1-14.6-4(e)*, the Medicaid financial report, and both the written and electronic Medicare cost reports, as required above, must be filed on a timely basis. If you have any questions contact Myers and Stauffer, OMPP's rate-setting contractor, at (317) 846-9521.

I M P O R T A N T P H A R M A C Y U P D A T E

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To: All Pharmacy Providers and Prescribing Practitioners

Subject: Revised Date for Processor Change

Note: The information in this document is not directed to those providers rendering services in the risk-based managed care (RBMC) delivery system

Overview

The change in the Indiana Health Coverage Programs (IHCP) pharmacy claims processor from EDS to ACS State Healthcare, previously scheduled for February 23, 2003, will now occur March 23, 2003. ACS and EDS are jointly committed to a transition that is essentially transparent to the provider community. The additional time afforded by extending the change in processor date will better allow providers to incorporate into their businesses the transition-related information they obtain through bulletins, banner page messages, and the statewide training sessions. The additional time will also provide ACS and EDS enhanced capability to test and re-test the new system. The purpose of this document is to inform providers about how the extension date of the pharmacy claim processor change affects the pharmacy claim processing requirements that were communicated in IHCP provider bulletin *BT200260*.

Provider questions about the changes or the extension date should be directed in an e-mail that includes a detailed description of the questions to: Indiana.ProviderRelations@acs-inc.com or by telephone to the ACS Point of Sale (POS) Help Desk at 1-866-645-8344.

This document addresses updates to the changes in pharmacy claim processing that were communicated in IHCP provider bulletin *BT200260* for the following areas:

- Instructions for claims submission
- Help desk numbers
- Other changes

Instructions for Claims Submission

Paper Claims Using the Indiana Family and Social Services Administration Drug Claim Form

Through March 13, 2003, providers must continue to mail pharmacy claims on the Indiana Family and Social Services Administration (IFSSA) Drug Claim Form to EDS at the following address:

EDS Pharmacy Claims
P.O. BOX 7268
Indianapolis, IN, 46207-7268

After March 13, 2003, providers must mail pharmacy claims on the IFSSA Drug Claim Form to ACS at the following address:

Indiana Pharmacy Claims
C/O ACS

P.O. Box 502327
Atlanta, GA 31150

Provider Electronic Solutions

Provider Electronic Solutions can be used to send pharmacy batch and POS claims through March 22, 2003. After March 22, 2003, Provider Electronic Solutions can still be used to verify eligibility, but cannot be used to submit pharmacy claims.

National Electronic Claims Submission

National Electronic Claims Submission (NECS) can be used to send pharmacy batch and POS claims through March 22, 2003. After March 22, 2003, NECS can still be used to verify eligibility, but cannot be used to submit pharmacy claims.

Point of Sale

EDS will continue to accept POS claims through midnight March 22, 2003. Effective at noon March 23, 2003, POS claims must be submitted to ACS. After midnight March 23, 2003, the pharmacy claim processing system will be down for no more than twelve hours to transfer files necessary for the pharmacy claim processor change. If a fill of an emergency prescription is required between midnight March 22, 2003, and noon March 23, 2003, providers must follow the current paper claim emergency dispensing procedures. Nonemergency prescriptions filled during the downtime will be subject to normal edits.

For a full description of the POS changes required including the revised pharmacy claim format (now effective March 22, 2003), please see IHCP provider bulletin *BT200260*.

Batch Claims

EDS will continue to accept electronic pharmacy batch claims through 5 p.m. March 22, 2003. Providers should continue to use their EDS ID for batch claims submission when submitting claims to EDS. Changes to the current NCPDP 1.0 batch format are required beginning March 23, 2003, and are referenced in IHCP provider bulletin *BT200260*.

> *Note: Pharmacy claims submitted using* Provider Electronic Solutions *and NECS will not be processed after 5 p.m. March 22, 2003.*

For a full description of the required batch changes, including the revised payor sheet (now effective March 23, 2003), please refer to IHCP provider bulletin *BT200260.*

Helpdesk Numbers

Customer Service Helpdesk

Through March 22, 2003, providers should continue to contact EDS Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278 for claim related questions.

Other Changes

Third Party Liability Cost Avoidance Procedures

When members are identified as having pharmacy insurance coverage, providers must bill the pharmacy insurance carrier prior to submitting the claim to the IHCP and the system will continue to return an informational edit. Beginning March 23, 2003, the National Council for Prescription Drug Program (NCPDP) reject reason of 41 – *Submit Bill to Other Processor or Primary Payor,* will return a denial edit.

For a full description of third party liability (TPL) pharmacy claim processing procedures, please refer to IHCP provider bulletins *BT200221* and *BT200260.*