



## I M P O R T A N T   I N F O R M A T I O N

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### To All Providers:

- The annual update of the International Classification of Diseases, Ninth Revision, Clinical Modification (ICD-9-CM) is effective October 1, 2004. The ICD-9-CM diagnosis and procedure codes are billable and reimbursable effective October 1, 2004. To ensure Health Insurance Portability and Accountability Act (HIPAA) compliance, the 90-day grace period will no longer apply to the ICD-9-CM updates. Providers are to use the diagnosis and procedure codes valid for the date of service. For questions call Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.
- Effective November 1, 2004, Anthem Midwest clearinghouse will no longer accept Indiana Health Coverage Programs (IHCP) claims. Providers using Anthem Midwest electronic data interchange (EDI) clearinghouse to send claims electronically to the IHCP must choose a different software developer or clearinghouse.

In order to assist providers with this issue, providers may access the EDI Solutions page on the IHCP Web site at <http://www.indianamedicaid.com>. This Web site contains a list of approved software vendors and clearinghouses. For more information or questions on contact the EDI Solutions helpdesk at (317) 488-5160 in the Indianapolis local area or 877-877-5182.

### To Pharmacy Providers Servicing Long Term Care Facilities:

- OMPP was recently advised of the concerns of some pharmacy providers that existing Indiana Medicaid policies and procedures pertaining to returned medication crediting (reference Chapter 9, Indiana Medicaid Pharmacy Provider Manual and Chapter 11, Paid Claim Adjustment Procedures) might possibly be in conflict with provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). Subsequent to a thorough review of the matter by OMPP, including consultation with legal counsel, it was determined that the perceived conflicts do not exist. As such, the Office strongly urges pharmacy providers servicing nursing facilities to continue, in compliance with the provisions of applicable state law (reference IC 25-26-13-25 and 856 IAC 1-21-1), to accept returned medications and credit to Medicaid those medications deemed suitable for re-dispensing. Doing so will ensure that tax-funded medications are not wasted.

### To Hospice Providers:

- The information outlined in this banner page article updates the section titled *IHCP Managed Care Members Electing of the IHCP Hospice Benefit* in section 3 of the *IHCP Hospice Provider Manual*, revised March 2004.

Effective November 1, 2004, the IHCP will no longer issue expenditure payouts as a form of reimbursing hospice providers for one day admissions, weekend admissions and other scenarios that meet the parameters for an expenditure payout. The Health Care Excel (HCE) Medicaid Prior Authorization (PA) Unit will notify providers regarding the authorization of appropriate dates of service that can be billed through the *IHCP Prior Review and Authorization Request Decision* form. Hospice providers will be able to bill the IHCP directly for dates of service approved on the *IHCP Prior Review and Authorization Request Decision* form.

Hospice providers are reminded that they must still follow the procedures outlined in the *IHCP Hospice Provider Manual* by checking eligibility and faxing the *IHCP Hospice Election* form to the HCE PA Unit and comply with the timeliness requirements for subsequent hospice benefit periods. Failure to comply with these policies will result in denial of dates of service for untimely submission. HCE will note which dates of service have been denied on the *IHCP Prior Review and Authorization Request Decision* form. It is the responsibility of the hospice provider to preserve their appeal rights by filing a timely administrative review or appeals request as outlined in section 3 of the *IHCP Hospice Provider Manual*.

## To Pharmacy Providers:

- IHCP pharmacies may have recently received a letter, dated September 19, 2004, from Prudent Rx requesting copies of specific prescriptions subsequent to a recent desktop review performed on IHCP pharmacy claims. The data provided to Prudent Rx for analysis contained errors. As a result of the errors identified in that data, pharmacies are being asked to discard any letters dated September 19, 2004.

A follow-up letter with corrected information will be issued should any further action on your part be required. If you have already responded to the September 19, 2004, letter, Prudent Rx will retain the prescription on file for use should a future audit of this claim be necessary. Again, the errors affect *only* the September 19, 2004, letter. Please direct any questions regarding this notice to the audit department at Prudent Rx at (310) 642-1700.

## To All HCBS Waiver Providers:

- Several trends have been identified by the EDS Waiver Teams during their on-site audits. Examples of these issues are:
  - The authorization and provision of Home and Community Based Services (HCBS) waiver services when appropriate services are available through the Medicaid State Plan (prior authorization) or another payer source such as Medicare or private insurance.
  - The authorization and provision of services that do not meet the service definition and parameters

The EDS teams will coordinate with the Bureau of Aging and In Home Services (BAIHS) and Bureau of Developmental Disabilities Services (BDDS) waiver specialists. The specialist will contact the waiver case manager for each of the identified members; the case manager will have ninety days to establish a revised *Plan of Care/Notice of Action*.

Please be advised that it is incumbent upon each provider to understand the service definitions and parameters for each service authorized on the *Notice of Action*. Each provider is ultimately responsible for the rendering and billing of services in accordance with the published service definitions and parameters. Therefore, it is suggested that each provider agency review the appropriate *Indiana Administrative Code – Indiana rules (IAC)* sections, IHCP and BDDS provider bulletins and IHCP banner pages to facilitate their compliance with the HCBS waiver standards.

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