



B A N N E R P A G E

B R 2 0 0 6 0 3

J A N U A R Y 1 7 , 2 0 0 6

Providers

Medicare and Medicaid COB

Due to differences in Medicare and Medicaid processing, providers now have the ability to bypass entering coordination of benefits (COB) adjustment information at the detail level when the claim is processed by Medicare at the header level. However, Health Insurance Portability and Accountability Act (HIPAA) standards mandate all COB adjustment information be reported at the level in which the provider receives the data from the Medicare intermediary.

Indiana Health Coverage Programs (IHCP) is in the process of updating Web documentation to support this policy.

Providers Using the Omni System for Eligibility Verification

With the implementation of the Medicare Part D (prescription drug coverage), providers using the Omni system must perform a terminal download to ensure that they are receiving complete Medicare coverage information. The download is free. The IHCP provider bulletin, [BT200303](#), published January 31, 2003, provides complete download instructions. The bulletin is available from the IHCP Web site at www.indianamedicaid.com.

Direct questions about this download to the Omni Help Desk at (317) 488-5051 in the Indianapolis local area or 1-800-284-3548 between the hours of 8 a.m. to 5 p.m., Monday through Friday, excluding State holidays.

To avoid an overload to the Omni download system, the following schedule is recommended:

Table 1 – Recommended Terminal Download Schedule

Provider Last Name	From	To	Provider Last Name	From	To
A to I	January 9, 2006	January 13, 2006	J to Z	January 14, 2006	January 18, 2006

Modified Solid Food Supplements

The Indiana Health Coverage Programs (IHCP) reviewed the appropriateness of reimbursement for Healthcare Common Procedure Coding System (HCPCS) code *S9434, Modified solid food supplements for inborn errors of metabolism* regarding reimbursement for nutritional products billed using this code. This procedure code became effective in January 2004 and the **IHCP determined it to be non-covered**.

The IHCP covers nutritional supplements, food supplements, and infant formulas when no other means of nutrition is feasible or reasonable according to the Indiana Administrative Code (IAC) *405 IAC 5-24-9*. Currently, liquid nutritional supplements and medical foods are covered. However, the IHCP has determined that modified medical foods in tablet or capsule forms are not covered as nutritional needs may be met through current covered formulations.

Nutritional supplements are not considered drugs or biologics. Please report them to the IHCP with the appropriate HCPCS code on the paper CMS-1500 claim form or electronic 837P electronic transaction. According to HIPAA, only drugs and biologics may be reported on the pharmacy claim form with a National Drug Code (NDC). Therefore, effective April 3, 2003, the IHCP discontinued coverage of nutritional supplements billed with an NDC.

For questions, contact customer assistance at (317) 655-3240 in the Indianapolis local area or toll free at 1-800-577-1278.

PET Scan Coding

The IHCP bulletin [BT200516](#) provided billing guidelines for Positron Emission Tomography (PET) scans. [BT200516](#) advised providers to bill PET scans using an appropriate Common Procedural Terminology (CPT®) code and an appropriate International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM) diagnosis code. Table 2 lists additional coding updates for PET scans. CPT codes 78811, 78812, and 78815 are added to PET scan imaging for non-small cell lung carcinoma. CPT code 78815 is added to PET scan imaging for colorectal and esophageal cancer. All other billing requirements remain unchanged.

Note: Reimbursement for PET scan services remains unchanged. Reimbursement for the appropriate CPT code, billed with the technical component (TC) and appropriate ICD-9-CM code, on a UB-92 claim form, is \$829.09. Reimbursement for professional services, reported with the appropriate CPT code, modifier 26 (professional services) and the appropriate ICD-9-CM code, and billed on a CMS-1500 or 837P electronic transaction, reimburses from the resource-based relative value scale (RBRVS) fee schedule.

CPT and ICD-9-CM Codes Supporting Medical Necessity

Table 2 – ICD-9-CM Codes Supporting Medical Necessity

PET Scan Imaging	CPT Code	ICD-9-CM Code
Whole body, for non-small cell lung carcinoma	78811, 78812 , 78813, 78815 , 78816	162.2, 162.3, 162.4, 162.5, 162.8, 162.9, 196.1, V10.11, V71.1
Whole body, for colorectal cancer	78813, 78815 , 78816	153.0, 153.1, 153.2, 153.3, 153.4, 153.5, 153.6, 153.7, 153.8, 153.9, 154.0, 154.1, 154.2, 197.5, V10.05, V10.06, V71.1
Whole body, for esophageal cancer	78813, 78815 , 78816	150.0, 150.1, 150.2, 150.3, 150.4, 150.5, 150.8, 150.9, V10.03, V71.1

IHCP E-Mail Notifications Program

On January 17, 2006, EDS and the IHCP launched the IHCP E-Mail Notifications Program. This program automatically issues e-mails to notify subscribers whenever IHCP publications and announcements are posted to the IHCP Web site.

This service is **free** and available to both providers and non-providers. It is possible to have multiple subscriptions to provide notifications at office, home, or to other e-mail addresses for associates and staff. To subscribe to the service, visit the IHCP Web site at www.indianamedicaid.com.

On the *IHCP E-mail Notifications* page, click the **Open New Account** button, complete the profile information, and select the publications for e-mail notifications. You will receive a Welcome e-mail asking you to activate your subscription. You must reply to the Welcome e-mail to activate your registration.

Publications are posted to the Web site on Tuesdays and Thursdays of each week. For a period of time *both* e-mail notifications and paper copies of the publications will be provided.

You may subscribe or unsubscribe at any time. Each notification e-mail contains a link for updating your subscription profile or unsubscribing to the service.

Annual HCPCS Update

On January 1, 2006, the annual update and the 2005 October and July quarterly HCPCS updates, which include alphanumeric and CPT codes, were loaded in IndianaAIM with program coverage and pricing determinations. These codes are available for claims processing on their respective effective dates. To view code coverage and pricing information for the 2006 Annual and the 2005 October and July Quarterly updates, refer to IHCP provider bulletin [BT200601](#), published January 3, 2006.

This provider bulletin outlines the codes and their respective coverage determinations. In addition, the annual and quarterly updates include new alphanumeric and CPT codes that require additional review by the IHCP. Providers will receive coverage and pricing determinations for these codes in a separate provider bulletin or banner page article, after the review is completed.

Nursing Facility Providers

Monthly quality assessment fee accounts receivables (A/Rs) are established during the last week of each month for the following month's quality assessment. For example, A/Rs were set up for the November 2005 quality assessment on October 27, 2005. The A/R appeared on the remittance advice dated November 1, 2005; with the reason code 8463 tied to the A/R. If a provider's rate retroactively increased, the A/R on the remittance advice appears with a reason code of 8464 and reports on the same remittance advice as the provider's regular monthly assessment. If a provider's rate retroactively decreased, an expenditure payout appears on the provider's remittance advice with a reason code of 8339 and reports on the same remittance advice as the provider's regular monthly assessment.

Pharmacies and Prescribing Providers

Drug Groups Added to State MAC Rate List

Effective February 17, 2006, the following drug groups (Table 3) will be added to the State Maximum Allowable Cost (State MAC) for legend drugs rate list.

Table 3 – Drug Groups Added to State MAC Rate List, Effective February 17, 2006

Drug Name	State MAC Rate	Drug Name	State MAC Rate
ALBUTEROL SUL 1.25 MG/3 ML SOL	0.54520	HALOPERIDOL 20 MG TABLET	2.33060
CICLOPIROX 0.77% CREAM	0.85310	HYDROXYZINE PAM 100 MG CAP	0.29380
CICLOPIROX 0.77% TOPICAL SUSP	1.15860	KETOROLAC 30 MG/ML VIAL	2.67290
DESMOPRESSIN ACET 0.1 MG TAB	2.51460	LEVOCARNITINE 330 MG TABLET	0.94080
DOXEPIN 150 MG CAPSULE	0.32770	LITHIUM CIT 8 MEQ/5 ML SYRUP	0.03910
ELIXOPHYLLIN 80 MG/15 ML ELIX	0.19300	LITHIUM ER 300 MG TABLET	0.30070
FEXOFENADINE HCL 180 MG TABLET	2.13080	MULTIVITAMIN VIAL	0.60110
FLUCONAZOLE-NS 200 MG/100 ML	0.14480	METOPROLOL-HCTZ 100/25MG TAB	1.36430
GRISEOFULVIN 125 MG TABLET	1.23380	NIFEDIPINE 20 MG CAPSULE	0.36760

Decrease in State MAC Rates

Effective February 17, 2006, State MAC rates for the following drugs **decrease** as listed in Table 4.

Table 4 – State MAC Rates Decrease, Effective February 17, 2006

Drug Name	State MAC Rate	Drug Name	State MAC Rate
AMITRIPTYLINE HCL 25 MG TAB	0.02150	NITROFURANTOIN 100 MG CAPS	1.22570
AMOXICILLIN 500 MG CAPSULE	0.03850	NITROFURANTOIN-MACRO 50 MG CAPS	0.73070
BENZTROPINE MES 0.5 MG TAB	0.06660	ORPHENADRINE 100 MG TAB ER	0.67240
GUANFACINE 1 MG TABLET	0.09060	OXYCODONE/APAP 10/325 MG TAB	0.65550
MORPHINE SULF 30 MG TAB SA	0.70360	POLYMYXIN B/TMP EYE DROPS	0.17580
NIFEDIPINE ER 30 MG TABLET	0.80520		

Correction to Published State MAC Rate Information

The following is a correction to the State MAC rate information published December 13, 2005, in IHCP provider banner page [BR200550](#):

Effective **January 27, 2006**, the drug group in Table 5 will be **added** to the State MAC for legend drugs rate list:

Table 5 – Drug Group Added to State MAC Rate, Effective January 27, 2006

Drug Name	State MAC Rate
ALBUTEROL 5 MG/ML SOLUTION	0.13935

Direct questions about the State MAC for legend drugs to the Myers and Stauffer Pharmacy Unit by telephone at (317) 816-4136 or 1-800-591-1183, or by e-mail at pharmacy@mslc.com.

Medicare Part D

Effective January 1, 2006, CMS implemented the new Medicare prescription drug coverage, also known as Medicare Part D. This coverage is a new benefit to help Medicare members pay for prescription drugs.

The IHCP Web site includes a section titled *Medicare Prescription Drug Coverage*. Providers should visit this section periodically at <http://www.indianamedicaid.com/ihcp/ProviderServices/MedicareD.asp> for the latest information.

For more information about the Medicare prescription drug benefit, visit the CMS Web site at <http://www.cms.gov/MedicareReform/>.

Current Dental Terminology (CDT) (including procedures codes, nomenclature, descriptors, and other data contained therein) is copyrighted by the American Dental Association. ©2002, 2004 American Dental Association. All rights reserved. Applicable Federal Acquisition Regulation. System/Department of Defense Acquisition Regulation System. (FARS/DFARS) Apply.

Current Procedural Terminology (CPT) is copyright 2004 American Medical Association. All Rights Reserved. No fee schedules, basic units, relative values, or related listings are included in CPT. The AMA assumes no liability for the data contained herein. Applicable FARS/DFARS restrictions apply to government use.

© 2005 VeriFone. All rights reserved. VeriFone, the VeriFone logo, Tranz, Omni, SoftPay, Verix, VeriShield and Vx are either trademarks or registered trademarks of VeriFone in the United States and/or other countries.