



All Providers

July 2006, Quarterly HCPCS Codes Update

The purpose of this article is to notify providers of the coverage determinations for the July 2006, quarterly updates to the Healthcare Common Procedure Coding System (HCPCS) codes.

Note: Non-covered, as it appears in the following tables, indicates that the Indiana Health Coverage Programs (IHCP) does not cover the service described in the code. Non-reimbursable indicates that the service described in the code is either billable under another code or is part of global billing.

New HCPCS Codes (Table 1): The new codes in Table 1 are identified by procedure code, description, prior authorization (PA) requirements, allowed modifiers, and program coverage status. Providers may bill these codes for effective dates of service on or after July 1, 2006. The standard global billing procedures and edits apply when using the new codes. The July 2006, Quarterly HCPCS Codes may be accessed at <http://www.cms.hhs.gov/HCPCSReleaseCodeSets>.

HCPCS codes K0734 through K0737 are new codes to report adjustable skin protection and positioning seat cushions currently reported with HCPCS code K0108 and modifier U1, U2, U3, or U4. The Indiana Health Coverage Programs (IHCP) created the procedure code to modifier combinations in order to mirror Medicare policy for the use of HCPCS code K0108 for adjustable seat cushions as published in provider banner [BR200536](#). Adjustable cushions are purchase-only items by the IHCP, and providers must attach the NU modifier when billing to the IHCP. Pricing established for adjustable and positioning seat cushions as published in [BR200536](#) is applied to HCPCS codes K0734 through K0737, effective for dates of service on or after September 1, 2006. Providers are allowed to report procedure code K0108 and modifier U1, U2, U3, or U4 for skin protection and positioning seat cushions for dates of service through August 31, 2006.

Contact Information: Providers should direct questions about this article to Customer Assistance at (317) 655-3240 in the Indianapolis local area, or at 1-800-577-1278.

Table 1 – New July 2006, Quarterly HCPCS Codes, Effective for Dates of Service On or After July 1, 2006

Procedure Code	Description	PA Requirements	Modifiers	Program Coverage
C9229	Injection, ibandronate sodium, per 1 mg	Not Applicable for All Programs		Non-Reimbursable for All Programs
C9230	Injection, abatacept, per 10 mg	Not Applicable for All Programs		Non-Reimbursable for All Programs
K0733	Power wheelchair accessory, 12 to 24 amp hour sealed lead acid battery, each (e.g., gel cell, absorbed glassmat)	Yes for All Programs	NU, RR	Covered for All Programs
K0734	Skin protection wheelchair seat cushion, adjustable, width less than 22 inches, any depth	Yes for All Programs	NU	Covered for All Programs Effective September 1, 2006
K0735	Skin protection wheelchair seat cushion, adjustable, width 22 inches or greater, any depth	Yes for All Programs	NU	Covered for All Programs Effective September 1, 2006
K0736	Skin protection and positioning wheelchair seat cushion, adjustable, width less than 22 inches, any depth	Yes for All Programs	NU	Covered for All Programs Effective September 1, 2006
K0737	Skin protection and positioning wheelchair seat cushion, adjustable, width 22 inches or greater, any depth	Yes for All Programs	NU	Covered for All Programs Effective September 1, 2006

Vaccines for Children

Effective July 17, 2006, the Indiana State Department of Health (ISDH) announces that the vaccines for Hepatitis A pediatric/adolescent dosage are available through the Vaccines for Children program. Therefore, for dates of service on or after July 17, 2006, reimbursement for HCPCS codes 90633 – *Hepatitis A vaccine, pediatric/adolescent dosage – 2-dose schedule, for intramuscular use* and 90634 – *Hepatitis A vaccine, pediatric/adolescent dosage – 3-dose schedule, for intramuscular use*, is the lesser of the \$8 administration fee or the billed amount.

National Provider Identifier Information

A National Provider Identifier (NPI) Web page is now part of the IHCP Web site at <http://www.indianamedicaid.com/ihcp/ProviderServices/npi.asp>. This page contains information about the *IHCP NPI Implementation Plan*, instructions for obtaining an NPI, links to other resources on the Web, and informational documents such as the *NPI Fact Sheet*.

All Durable Medical Equipment Providers

Provider Enrollment Updates for Home Medical Equipment Services Providers

To conform with *IC 25-26-21*, all home medical equipment (HME) services providers must be licensed by the Indiana State Board of Pharmacy. Effective August 1, 2006, providers must have a valid HME license on file with the IHCP and update their enrollment information with EDS to receive reimbursement for HME services.

The requirements for HME licensing are outlined in *IC 25-26-21* and *856 IAC 1-39* (currently printed in *29 Indiana Register 138*).

For more information about licensure and requirements, contact the Indiana State Board of Pharmacy at (317) 234-2067 or on the Web at <http://www.in.gov/pla/bandc/isbp/guidance.html>.

After obtaining licensure, affected providers must update their IHCP provider profiles by adding the new HME provider specialty, *251 – Home medical equipment provider*.

All current durable medical equipment (DME) providers are enrolled with provider specialty *250 – DME/medical supply dealer*.

All providers that wish to submit claims for HME services **must be enrolled with provider specialty 251**. Providers who wish to submit claims for other medical supplies not defined as HME must be enrolled with provider specialty 250. To submit claims for both HME and non-HME supplies, providers must enroll in both provider specialty 250 and 251.

To determine which codes require an HME license and enrollment in provider specialty 251, view the code sets for HME and DME providers posted on the IHCP Web site at <http://www.indianamedicaid.com/ihcp/Publications/providerCodes/providerCodes.asp>.

To add a provider specialty, obtain a *Provider Update Form* from the IHCP Web site at http://www.indianamedicaid.com/ihcp/ProviderServices/provider_update.asp or contact the Provider Enrollment and Waiver line at 1-877-707-5750. Providers must complete the form, sign it, and mail it and all required attachments to the following address for processing:

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

To enroll in provider specialty 251, providers must submit a copy of their license issued by the Indiana State Board of Pharmacy. This copy must accompany the *Provider Update Form*.

Note: Pharmacy providers currently enrolled in the IHCP with both provider specialties 240 and 250 do not need to update their provider profiles to add provider specialty 251. The IHCP will systematically add this specialty to the provider profile for these providers because they are exempt from the licensing requirements for HME services and they are already licensed by the Indiana State Board of Pharmacy.

All Managed Care Providers

Submitting Claims to Managed Care Organizations as Secondary Payers

This article clarifies and provides guidance for submitting a claim to a managed care organization (MCO) that is listed as a secondary payer when the claim is paid in full by the primary payer.

When the provider submits a claim to the MCO, the MCO processes the claim and then submits the encounter data (*shadow claims*) to the state of Indiana. This claims data is used to track and trend the overall cost and utilization of services by the Indiana Medicaid population and gives the state of Indiana the data needed to accurately report the overall State Medicaid costs to the Federal Government. This data also impacts capitation payments to the MCOs and is important information in the State's understanding of the total medical costs involved in each case.

If a provider is contacted by an MCO and asked to submit a claim that has already been paid by a primary insurance company, the provider should submit the claim. In this case, the provider is not billing fraudulently, but is providing information that helps to better serve the Indiana Hoosier Healthwise population.

All Waiver Providers

Waiver Re-enrollment

During a recent review of provider enrollment files, the IHCP determined that many waiver providers have not completed the IHCP *Provider Enrollment Application*.

The IHCP must maintain a completed IHCP *Provider Enrollment Application* and *Provider Agreement* for all providers in order to meet federal disclosure requirements. Therefore, the IHCP must re-enroll waiver providers that do not have a completed IHCP *Provider Enrollment Application* on file in order to remain in compliance with federal requirements.

Beginning August 1, 2006, the IHCP will send a letter and an *IHCP Provider Enrollment Application* packet to all affected waiver providers. The letter contains detailed instructions on how to complete the application and re-enroll.

Providers must complete the *IHCP Provider Enrollment Application* and return it to EDS within 45 days of the date of the letter.

To obtain additional copies of the *IHCP Provider Enrollment Application* or for additional information, visit the IHCP Web site at <http://www.indianamedicaid.com> or contact the Provider Enrollment and Waiver line at 1-877-707-5750.

Waiver and Case Management Providers: Change of Address

Effective immediately, the address for submitting requests for appeal of audit findings has changed to the following:

Secretary, Indiana Family and Social Services Administration
c/o: Pat Casanova,
OMPP, LTC Reimbursement, MS07
402 W. Washington St., Room W382
Indianapolis, IN 46204

A copy of the appeal request is to be mailed to:

EDS Waiver Unit
Attention: Waiver Financial Analyst
950 N. Meridian St., Suite 1150
Indianapolis, IN 46204-4288

The appeal request must state the following:

- The provider is the party to whom the order is specifically directed
- The provider is adversely affected by the overpayment identified
- The provider is entitled to review under law

If the provider elects to appeal the determination, the provider must also file a *Statement of Issues* **within 60 days** after receiving the audit determination. The *Statement of Issues* will detail the following:

- The specific findings, actions, or determinations of the OMPP or EDS to which the provider is appealing
- Information about why the provider believes that the determination was in error with respect to each finding, action, or determination
- All statutes or rules supporting the provider's contentions of error with respect to each finding, action, or determination according to 405 IAC 1-1.5-2(e)

The *Statement of Issues* must be sent to the same address as the appeal request, and a copy must also be forwarded to the EDS HCBS Waiver Unit address noted above.

Note: The statement and appeal request may be filed together.

Direct questions about audit appeals to Susie Bachele, RN, EDS Waiver Supervisor at (317) 488-5343.

All Pharmacy and Prescribing Providers

State MAC Rate Update

Effective for dates of service on or after August 1, 2006, the State MAC rates for the drugs in Table 2 will increase.

Table 2 – Increases to the State MAC Legend Drugs Rates, Effective for Dates of Service On or After August 1, 2006

Drug Name	State MAC Rate	Drug Name	State MAC Rate
DESONIDE 0.05% CREAM	0.22365	HYDROCHLOROTHIAZIDE 25 MG TB	0.03246

Effective for dates of service on or after September 1, 2006, the drug groups in Table 3 will be added to the State Maximum Allowable Cost (MAC) for Legend Drugs Rate List.

Table 3 – Additions to the State MAC Legend Drugs Rate List, Effective for Dates of Service On or After September 1, 2006

Drug Name	State MAC Rate	Drug Name	State MAC Rate
ALBUTEROL 5 MG/ML SOLUTION	0.15090	FLUTICASONE 50 MCG NASAL SPRAY	3.37460
APAP/BUTAL/CAFF 500/50/40 CAP	1.46140	GLIMEPIRIDE 1 MG TABLET	0.04060
AZITHROMYCIN 250 MG TABLET	4.30560	GRISEOFULVIN 125 MG/5 ML SUSP	0.27635
AZITHROMYCIN 500 MG TABLET	8.70600	LEFLUNOMIDE 20 MG TABLET	1.07050
CYCLOBENZAPRINE 5 MG TABLET	0.11580	PAMIDRONATE DISOD 30 MG VIAL	121.63200
FLUCONAZOLE-NS 400 MG/200 ML	0.12258	ZONISAMIDE 100 MG CAPSULE	1.01590

Effective for dates of service on or after September 1, 2006, State MAC rates for the drugs in Table 4 will decrease.

Table 4 – Decreases to the State MAC Legend Drugs Rates, Effective for Dates of Service On or After September 1, 2006

Drug Name	State MAC Rate	Drug Name	State MAC Rate
AMPHETAMINE SALTS 20 MG TAB	0.30162	MIRTAZAPINE 45 MG TABLET	0.40410
CIPROFLOXACIN 0.3% EYE DROP	2.22960	MOMETASONE FUROATE 0.1% CREAM	0.57093
CIPROFLOXACIN HCL 500 MG TAB	0.10878	NEO/POLYMYXIN/DEXAMETH DROP	0.41220
CITALOPRAM HBR 20 MG TAB	0.08628	OXYCODONE/APAP 7.5/325 MG TB	0.55527
ECONAZOLE NITRATE 1% CREAM	0.30818	TRIAMCINOLONE 0.1% CREAM	0.03655

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

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