



## All Providers

### Introducing Claims Analysis and Recovery

The Office of Medicaid Planning and Policy (OMPP) has expanded Health Care Excel's (HCE's) Surveillance and Utilization Review (SUR) contract to include the Claims Analysis and Recovery (CAR) function.

CAR staff review claims data at the systems level. The process determines aberrant billing patterns and inappropriate reimbursements that may be occurring across a specific provider type or specialty. When a potential issue is discovered, CAR performs thorough research and conducts payment studies to determine if overpayment of services has occurred.

Indiana Health Coverage Programs (IHCP) providers may be requested to provide medical or other records, including X-rays, as necessary, to fully explain why services were rendered and billed to the IHCP. Documentation should be sufficient to fully disclose the extent of services provided. Refer to [405 IAC 1-5-1](#) for a list of items that providers should, at a minimum, include in documentation. Providers must maintain medical and other records for a period of seven years from the date of service. Failure to provide medical or other records when requested may constitute an abuse of the IHCP and applicable federal law. Inappropriately-reimbursed IHCP funds are recouped based on these payment studies.

Some providers may have already begun receiving correspondence from HCE's CAR Department.

Providers may contact HCE with questions or concerns at (317) 347-4500 in the Indianapolis local area, or 1-800-457-4515.

### Charging for Missed Appointments and Copying or Transferring Medical Records

The purpose of this article is to remind all IHCP providers about policies regarding balance billing. Additionally, this article serves to notify providers that members should not be charged for missed appointments or for copying or transferring medical records.

HCE, the State's SUR contractor, operates a Provider and Member Concerns Hotline. This hotline handles a variety of issues, including calls related to balance billing. In many instances, the member is billed inappropriately and SUR must contact the IHCP provider to resolve the billing error.

As a reminder, federal and state regulations prohibit providers from charging any IHCP member, or the family of a member, for any amount *not* paid following a reimbursement determination by the IHCP. See *Code of Federal Regulations, Title 42, Part 447, Subpart A, Section 447.15*; *Indiana Administrative Code, Title 405, Article 1, Rule 1, Sections 3(i)*. Furthermore, the [IHCP Provider Agreement](#) contains the following provision:

To accept payment as payment in full the amounts determined by Indiana Family and Social Services Administration or its fiscal agent, in accordance with the Federal and State statutes as the appropriate payment for Medicaid or [Children's Health Insurance Program] CHIP members (recipients). Provider agrees not to bill members, or any member of a recipient's family, for any additional charge for Medicaid or any member of a recipient's family, for any additional charge for Medicaid or CHIP covered services, excluding any co-payment permitted by law.

The clear intent of this provision is to ensure that no member, or family of a member, is billed in excess of the amount paid by the IHCP.

As a condition of the provider's participation in the IHCP, the provider must accept the IHCP determination of payment as payment in full, whether the IHCP is the primary or secondary payer. If the provider disagrees with the Medicaid determination of payment, the provider's right of recourse is limited to an adjustment request, administrative review, and appeal as provided in [405 IAC 1-1-3](#). Violation of this section constitutes grounds for the termination of the provider agreement and decertification of the provider, at the option of the Indiana Family and Social Service Administration (IFSSA).

To bill an IHCP member for services, specific conditions must be met. Refer to the [IHCP Provider Manual, Chapter 4, Section 5: Charging Members for Non-Covered Services](#), for an explanation of these conditions. The *IHCP Provider Manual* is available on the IHCP Web site at <http://www.indianamedicaid.com>.

**Charging for Missed Appointments** – IHCP providers may *not* charge IHCP members for missed appointments. The Department of Health and Human Services (DHHS) bases this policy on the reasoning that a missed appointment is not a distinct reimbursable service, but a part of the provider's overall costs of doing business. Furthermore, the Medicaid rate covers the cost of doing business, and providers may not impose separate charges on members.

**Charging for Copies or Transfers of Medical Records** – IHCP providers are *not* permitted to charge for copies or transfers of medical records. Federal regulation [42 CFR 447.15](#) states that providers participating in Medicaid must accept the state's

reimbursement as payment in full (except that providers may charge for deductibles, co-insurances, and co-payments). The reimbursement for services is intended to cover the costs of medical record duplications or medical record transfers. Providers, or authorized agents for the State, do not receive additional reimbursement from the State for any cost associated with medical record duplications or medical record transfers. In addition, any practitioner receiving payments from the IHCP for rendered services may not charge an IHCP member for medical record copying or transferring. The IHCP considers a practitioner who charges Medicaid patients for copying or transferring of medical records to be in violation of this Federal regulation and the *IHCP Provider Agreement*.

Providers identified as showing a pattern of non-compliance with Federal regulations and/or IHCP policy may be subject to SUR audit.

**Additional Information** – A copy of the *IHCP Provider Agreement* is available on the IHCP Web site at <http://www.indianamedicaid.com/ihcp/ProviderServices/pdf/ProviderAgreement.pdf>. Direct questions about this policy to the HCE SUR Department at (317) 347-4527 in the Indianapolis local area, or 1-800-457-4515.

### Annual Update of International Classification of Diseases, Ninth Revision, Clinical Modification

The annual update of the International Classification of Diseases, Ninth Revision, Clinical Modification (ICD-9-CM) is effective for the IHCP for dates of service on or after October 1, 2006. The new, revised, and discontinued codes may be viewed at [http://www.cms.hhs.gov/ICD9ProviderDiagnosticCodes/07\\_summarytables.asp#](http://www.cms.hhs.gov/ICD9ProviderDiagnosticCodes/07_summarytables.asp#). To ensure Health Insurance Portability and Accountability Act (HIPAA) compliance, the 90-day grace period no longer applies to ICD-9-CM updates. Providers are to use the appropriate ICD-9-CM diagnosis and procedure codes that are valid for the date of service. Codes not valid for the dates of service deny. The ICD-9-CM diagnosis and procedure codes are billable and reimbursable for dates of service on or after October 1, 2006.

The ICD-9-CM diagnosis codes in Table 1 will be added to the *Emergency Department Diagnosis Codes* table in the *IHCP Provider Manual, Chapter 8, Section 2*. These codes are effective for dates of service on or after October 1, 2006.

**Table 1 - ICD-9-CM Diagnosis Codes, Effective for Dates of Service On or After October 1, 2006**  
(Additions to the *Emergency Department Diagnosis Codes* table of the *IHCP Provider Manual*)

052.2	238.73	288.04	288.50	288.51	288.60	289.53	289.83
323.01	323.02	323.41	323.42	323.51	323.52	323.61	323.62
323.63	323.71	323.72	323.81	323.82	333.72	338.11	338.18
338.19	341.20	341.21	341.22	379.63	429.83	518.7	519.11
521.81	523.00	523.01	523.33	525.64	608.20	608.21	608.22
608.23	608.24	629.29	649.62	649.63	649.64	768.7	770.87
770.88	775.81	775.89	779.85	780.32	958.90	958.91	958.92
958.93	958.99	995.20	995.21	995.22	995.23	995.27	995.29

The ICD-9-CM diagnosis codes in Table 2 will be removed from the *Emergency Department Diagnosis Codes* table in the *IHCP Provider Manual, Chapter 8, Section 2*. These codes are invalid for dates of service on or after October 1, 2006.

**Table 2 - ICD-9-CM Diagnosis Codes, Invalid for Dates of Service On or After October 1, 2006**  
(Deletions from the *Emergency Department Diagnosis Codes* table of the *IHCP Provider Manual*)

323.0	323.4	323.5	323.6	323.7	323.8	523.1	528.0
608.2	775.8	995.2					

The ICD-9-CM diagnosis codes in Table 3, will be added to the *High Risk Pregnancy – ICD-9-CM Diagnosis Codes* table in the *IHCP Provider Manual, Chapter 8, Section 3*. These codes are effective for dates of service on or after October 1, 2006.

**Table 3 - ICD-9-CM Diagnosis Codes, Effective for Dates of Service On or After October 1, 2006**  
(Additions to the *High Risk Pregnancy – ICD-9-CM Diagnosis Codes* table of the *IHCP Provider Manual*)

289.83	649.00	649.01	649.02	649.03	649.04	649.10	649.11
649.12	649.13	649.14	649.20	649.21	649.22	649.23	649.24
649.30	649.31	649.32	649.33	649.34	649.40	649.41	649.42
649.43	649.44	649.50	649.51	649.53	649.60	649.61	649.62
649.63	649.64						

The ICD-9-CM procedures in Table 4 are not covered by the IHCP. According to the Indiana Administrative Code (IAC) 405 IAC 5-29-1 (3), experimental treatment or procedures are **not** covered by the IHCP.

**Table 4 - ICD-9-CM Non-Covered Services**

Code	Description	Code	Description
13.9	Other operations on lens	68.6	Radical abdominal hysterectomy
68.4	Total abdominal hysterectomy	68.7	Radical vaginal hysterectomy

**Additional Information** – The *IHCP Provider Manual* is available on the IHCP Web site at <http://www.indianamedicaid.com>. Direct questions about these changes to Customer Assistance at (317) 655-3240 in the Indianapolis local area, or 1-800-577-1278.

### 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 Pharmacy and Prescribing Providers

### State MAC Legend Drug Rate Updates

Tables 6 – 9 contain the updates to the State maximum allowable cost (MAC) rates and rate lists with effective dates for the changes.

Table 5 - **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

Table 6 - **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

Table 7 - **Increases** to the State MAC Legend Drugs Rates,  
Effective for Dates of Service On or After September 5, 2006

Drug Name	State MAC Rate
ALBUTEROL 90 MCG INHALER	0.54417

Table 8 - **Decreases** to the State MAC Legend Drugs Rates,  
Effective for Dates of Service On or After October 6, 2006

Drug Name	State MAC Rate	Drug Name	State MAC Rate
ECONAZOLE NITRATE 1% CREAM	0.29017	NYSTATIN 100,000 UNITS/GM OINT	0.05140
FLUVOXAMINE MALEATE 50 MG TB	0.41673	TEMAZEPAM 30 MG CAPSULE	0.09114
LOVASTATIN 20 MG TABLET	0.34295		

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](mailto:pharmacy@mslc.com).

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