Note: The first article in this banner page has been updated. See the last article in IHCP Banner Page BR201941.

IHCP banner page

INDIANA HEALTH COVERAGE PROGRAMS BR201936 SEPTEMBER 3, 2019

IHCP to update rates and rate methodology for DME, HME, and eyeglasses frame and lens

Effective October 1, 2019, the Indiana Health Coverage Programs (IHCP) will change the reimbursement methodology for select durable medical equipment (DME), home medical equipment (HME), and eyeglasses frame and lens procedure codes as follows.

IHCP-covered HCPCS codes on the Medicare DMEPOS fee schedule

All IHCP-covered Healthcare Common Procedure Coding System (HCPCS) codes on the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) fee schedule, accessible from the Centers for Medicare & Medicaid Services (CMS) website at cms.gov, will be priced at the lowest non-zero Medicare rate. Rates will be updated annually and posted to the site for any codes for which the rate changes.

HCPCS codes on the Medicare DMEPOS fee schedule with rates of $0 will be manually priced. For manually-priced DME and HME, the reimbursement methodology is unchanged. However, the preference is now given to cost invoices before manufacturer's suggested retail price (MSRP). If a cost invoice is available and submitted with the claim, the detail will reimburse at 120% of the cost invoice. If no cost invoice is available, providers must submit an MSRP. The detail will reimburse at 75% of the MSRP.

HCPCS codes in Table 1 are currently reimbursed using maximum-fee pricing but will be reimbursed using manual pricing for claims with dates of service (DOS) on or after October 1, 2019. If a cost invoice is unavailable, providers must submit an MSRP.

Table 1 – HCPCS codes changing from maximum-fee pricing to manual pricing, effective for DOS on or after October 1, 2019

HCPCS code	Description
A4483	Moisture exchanger, disposable, for use with invasive mechanical ventilation
A6217	Gauze, non-impregnated, non-sterile, pad size more than 16 sq. in. but less than or equal to 48 sq. in., without adhesive border, each dressing

continued

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- IHCP increases rates for wheelchair van transportation procedure code A0130 with or without modifiers

Table 1 – HCPCS codes changing from maximum-fee pricing to manual pricing, effective for DOS on or after October 1, 2019 (continued)

HCPCS code	Description
A6509	Compression burn garment, upper trunk to waist including arm openings (vest), custom fabricated
A8004	Soft interface for helmet, replacement only
E0619	Apnea monitor, with recording feature
E2372	Power wheelchair accessory, group 27 non-sealed lead acid battery, each
K0108	Wheelchair component or accessory, not otherwise specified
L0452	TLSO, flexible, provides trunk support, upper thoracic region, produces intracavitary pressure to reduce load on the intervertebral disks with rigid stays or panel(s), includes shoulder straps and closures, custom fabricated
L0623	Sacroiliac orthosis, provides pelvic-sacral support, with rigid or semi-rigid panels over the sacrum and abdomen, reduces motion about the sacroiliac joint, includes straps, closures, may include pendulous abdomen design, prefabricated, off-the-shelf
L1001	Cervical thoracic lumbar sacral orthosis, immobilizer, infant size, prefabricated, includes fitting and adjustment

With the methodology change to manual pricing for HCPCS code K0108 – *Wheelchair component or accessory, not otherwise specified*, previously published billing guidelines to bill the KA modifier with HCPCS code K0108 no longer apply. The IHCP will not limit procedure code K0108 to upgrades of programmable electronic systems. Instead, K0108 may be used for any not otherwise specified wheelchair component or accessory.

Matrix seating system HCPCS codes

Effective October 1, 2019, the Matrix seating system HCPCS codes in Table 2 will no longer have maximum fees. Providers may continue to bill the IHCP for Matrix seating system equipment. However, providers should bill procedure code E1399 without the U1 or U2 modifier (see Table 2). All claims billed for code E1399 will be manually priced and will require a cost invoice. If no cost invoice is available, providers must submit an MSRP.

Table 2 – HCPCS codes for Matrix seating system equipment no longer submitted with modifier U1 and U2, effective for DOS on or after October 1, 2019

HCPCS code and modifier	Description
E1399 U1	Durable medical equipment, miscellaneous, Matrix TMX composite shell
E1399 U2	Durable medical equipment, miscellaneous, Matrix TMX extra rigid support frame

continued

Patient lift HCPCS codes

Additionally, the HCPCS codes in Table 3, which are currently manually priced, will be reimbursed using maximum-fee pricing for claims with DOS on or after October 1, 2019. Pricing attachments, such as cost invoices or MSRPs, will no longer be required for these codes for claims with DOS on or after October 1, 2019.

Table 3 – HCPCS codes changing from manual pricing to maximum-fee pricing, effective for DOS on or after October 1, 2019

HCPCS code	Description
E0639	Patient lift, moveable from room to room with disassembly and reassembly, includes all components/accessories
E0640	Patient lift, fixed system, includes all components/accessories

Capped rental items HCPCS codes

For HCPCS codes designated as capped rental items by Medicare, the IHCP will follow Medicare's capped rental policy. Effective October 1, 2019, the capped rental period will change from 15 months to 13 months. Additionally, the IHCP will begin following Medicare reimbursement methodology for supplies provided to members during the capped rental period. During the 13-month capped rental period, supplies provided to members will be separately reimbursable and may be billed to the IHCP.

Eyeglasses lens and frame HCPCS codes

For eyeglasses lens and frame HCPCS codes that are on the Medicare DMEPOS fee schedule, the rates will be updated to the lowest non-zero Medicare rate, effective October 1, 2019. Therefore, the reimbursement for frames will no longer be limited to $20. Also, billing guidance for tinted lenses will be updated. Per *Indiana Administrative Code* 405 IAC 5-23-4 (2), the IHCP covers tint numbers 1 and 2. However, effective October 1, 2019, the reimbursement for V2745 – *Addition to lens; tint, any color, solid, gradient or equal, excludes photochromatic, any lens material, per lens*, will be same for both plastic and glass lenses. Providers will not be required to bill code V2745 with the U1 and U2 modifiers because those modifiers will no longer be needed to differentiate between plastic and glass lenses.

Reimbursement and billing information applies to services delivered under the fee-for-service (FFS) delivery system. Individual managed care entities (MCEs) establish and publish reimbursement and billing criteria within the managed care delivery system. Questions about managed care billing should be directed to the MCE with which the member is enrolled.

These pricing changes will be reflected in the next regular updates to both the *Professional Fee Schedule* and the *Outpatient Fee Schedule*, accessible from the IHCP Fee Schedules page at in.gov/medicaid/providers. Additionally, these changes will be reflected in the *Durable and Home Medical Equipment and Supplies Codes* and the *Vision Services Codes*, available from the Code Sets page on the website.

IHCP increases rates for wheelchair van transportation procedure code A0130 with or without modifiers

Effective October 1, 2019, the Indiana Health Coverage Programs (IHCP) will increase the reimbursement rates of Healthcare Common Procedure Coding System (HCPCS) code A0130, separately and with the modifiers in Table 4 for wheelchair van transportation services. The rates will increase by 25% (see Table 4). The new rates will apply to services rendered under the fee-for-service (FFS) delivery system for dates of service (DOS) on or after October 1, 2019.

Table 4 – New rates for wheelchair van transportation procedure code/modifier combinations, effective for DOS on or after October 1, 2019

Procedure code and modifier	Description	New rate
A0130 (no modifier)	Non-emergency transportation; wheelchair van	$25.00
A0130 TK	Non-emergency transportation; wheelchair van, plus parent or attendant	$12.50
A0130 TT	Non-emergency transportation; wheelchair van, multiple patients	$12.50
A0130 U6	Non-emergency transportation; wheelchair van, additional attendant	$6.25

Reimbursement and billing information applies to services delivered under the fee-for-service (FFS) delivery system. Individual managed care entities (MCEs) establish and publish reimbursement and billing criteria within the managed care delivery system. Questions about managed care billing should be directed to the MCE with which the member is enrolled.

These pricing changes will be reflected in the next regular update to the *Professional Fee Schedule*, accessible from the *IHCP Fee Schedules* page at in.gov/medicaid/providers.

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