**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 Indiana Health Coverage Programs Providers:

- The year 2000 (Y2K) will arrive shortly and the Indiana Health Coverage Programs (IHCP) are ready. The following describes important points to consider as the new year approaches:
  - The automated voice response (AVR), point of sale (POS), and electronic claims submittal (ECS) systems will be unavailable for approximately one hour, from Friday, December 31, 1999, at 11:30 p.m. to Saturday, January 1, 2000, at 12:30 a.m., as these systems are transitioned to the new year.
  - No claims submission formats have changed, so there is no need for providers to change the way they submit claims.
  - National Electronic Claims Submission (NECS) users will receive the upgraded version of this software within the next week. Please see the installation instructions for details on how and when to install this upgrade. For questions regarding this upgrade, please call the ECS Help Desk at (317) 488-5160 or (317) 488-5158.
  - Providers should develop contingency plans and ensure that all staff members are aware of these plans. IHCP outlined Y2K contingency plans for eligibility verification, provider payment, and prior authorization in bulletin BT199944, *Year 2000 Readiness Update*, dated December 15, 1999. IHCP encourages providers to maintain this information in the event of disruption.
  - Previous Y2K bulletins can be accessed through the Indiana Medicaid Web site at www.indianamedicaid.com on the Y2K page.
  - The Indiana Office of Medicaid Policy and Planning (OMPP) and EDS will observe holidays on Thursday, December 23, 1999, Friday, December 24, 1999, and Friday, December 31, 1999. AVR and POS will be operational even though the administrative offices will be closed during these days.

  No problems are anticipated, but if difficulties occur, please call EDS Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.

- This message clarifies policy established in 1997. Mental health services rendered by providers enrolled in IHCP as free-standing psychiatric hospitals are carved out of Risk Based Managed Care (RBMC) and paid on a fee-for-service basis. Claims for mental health services in a free-standing psychiatric hospital are billed on a UB92 claim form and are not the financial responsibility of the Managed Care Organizations (MCOs). Carved-out services are excluded from the capitation payments based on the provider type and specialty.

  In order to receive reimbursement for mental health services on a fee-for-service basis, the services must be provided by a psychiatrist or a health services provider in psychology (HSPP) when rendered in outpatient mental health clinics and community mental health clinics. Services provided by specialists who are licensed psychologists, licensed clinical social workers, licensed social workers, and psychiatric nurses are also carved out of the capitation reimbursement methodology for MCOs and are reimbursed on a fee-for-service basis when they are provided under a psychiatrist's direction, and billed using the appropriate modifiers for their specialty. Additionally, the following providers can render physician-directed mental health services: licensed marriage and family therapists; licensed mental health counselors; and persons with a master's degree in social work, marriage and family therapy, or mental health counseling.
  - The MCOs are financially responsible for all facility, ancillary, and professional services related to carved-out mental health services, including services related to substance abuse and chemical dependency diagnoses, when rendered in an **acute care hospital**, by the primary medical provider (PMP), or by another specialty not enrolled as one of the specialists listed in the above paragraph.
  - Confinements in **acute care hospitals** with primary diagnoses of substance abuse and chemical dependency, for RBMC members, are the responsibility of the MCO in which the member is enrolled. MCOs are financially responsible for mental health services provided in an **acute care hospital**, regardless of the admitting diagnoses. (The responsible party for claim payment is based on billing provider type and specialty.)

  As stated in *405 IAC 5-20-5*, a certification of need for admission must be completed by the admitting hospital. The hospital must complete by telephone a precertification review prior to admission for an individual who is admitted to the facility as a nonemergency. This must be followed by a written certification of need within 10 working days of

admission. The hospital must complete by telephone a precertification review within 48 hours of an emergency admission, not including Saturdays, Sundays, and legal holidays. This must be followed by a written certification of need within 14 working days of admission. If the provider fails to call within 48 hours of an emergency admission, not including Saturdays, Sundays, and legal holidays, the IHCP reimbursement will be denied for the period from admission to the actual date of notification. The 1261A form (*The Plan of Care for Inpatient Psychiatric Hospital Services and Determination of Medicaid Eligibility Certification*) is submitted by the rendering facility to the MCO in which the member is enrolled.

## To All Indiana Health Coverage Programs Home Health Providers:

- This article is an update to bulletin BT199915, *Change in Reimbursement Rates for Home Health Providers*, dated April 23, 1999. The following information communicates the **revised rates** for reimbursement of home health services **effective January 1, 1999**.

  Pursuant to *405 IAC 1-4.2-4*, the standard statewide reimbursement rates for home health services effective January 1, 1999, have been revised. The revised rates were calculated based on the most recently completed IHCP cost reports that were required to be filed by all home health providers who billed the IHCP for services.

  Effective immediately, please use the new rates listed in the table below. Billing procedures remain the same. If a provider has already billed and has been paid at the old rates for dates of service in 1999, the provider may choose to wait for EDS to automatically reprocess claims through a mass claims adjustment that will take place by December 31, 1999. Although this mass claims adjustment has been scheduled, providers are not prohibited from completing adjustment forms prior to the automatic reprocessing.

  Revised Billing Service Rates Effective January 1, 1999

| Description | January 1, 1999 Rate |
|---|---|
| Overhead | $22.00 |
| **Discipline** | **January 1, 1999 Rate** |
| Registered Nurse | $25.73 |
| Licensed Practical Nurse | $20.47 |
| Home Health Aide | $13.07 |
| Physical Therapist | $57.99 |
| Occupational Therapist | $49.97 |
| Speech Pathologist | $61.44 |

  More detailed information will be provided in a future bulletin. If you have any questions regarding billing procedures, please call EDS Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.

## To All Indiana Health Coverage Programs Mental Health Providers, Physicians, and Psychologists:

- As required by the House Enrolled Act (HEA) 1396, OMPP is amending the mental health services sections of the Covered Services Rule (*405 IAC 5-20 and 405 IAC 5-21*). The rule changes will include requirements of HEA 1396, as well as other changes. The promulgation process will not be completed by January 1, 2000. However, those changes that are mandated by the provisions of this act are effective for dates of service January 1, 2000, or after. These provisions are described below:
  - Reimbursement will become available for services provided by midlevel practitioners in an outpatient mental health facility when services are supervised by a health services provider in psychology (HSPP). Services rendered by midlevel practitioners must be billed under the provider number of the outpatient mental health clinic or facility. An HSPP may certify the diagnosis or supervise the plan of treatment.
  - The list of practitioners rendering outpatient, supervised mental health services, for which Medicaid will reimburse, is amended. The following have been added to the list of practitioners currently included in these sections of the rule: independent practice school psychologists and advanced practice nurses under *IC 25-23-1-1(b)(*3*)*, credentialed in pyschiatric or mental health nursing by the American Nurses Credentialing Center.