



I M P O R T A N T I N F O R M A T I O N

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JUNE 20, 2000

To All Indiana Health Coverage Programs Providers

- The system has recently been updated for edits 4045, *Diagnosis not covered for dates of service*, for HCFA1500 claim type and Edit 4027, *Diagnosis not covered for dates of service*, for inpatient, home health, and outpatient claim types. Effective June 29, 2000, providers billing with more than one diagnosis code per detail and when at least one of the diagnosis is a valid covered diagnosis code, the claim will continue through the normal claim adjudication process. If only one diagnosis code is billed per detail and the diagnosis code is an invalid or noncovered diagnosis code, the claim will deny for edit 4045 or edit 4027, based on the submitted claim type. For more information, please contact EDS Client Services at (317) 655-3240 or 1-800-577-1278.
- On June 29, 2000, the EDS Eligibility Verification System (EVS) will be updated to include additional benefit limitation information. As a result of this update, only version 3.0 and version 4.0 EVS transactions will be accepted on or after June 29, 2000. Version 3.0 was activated in January 2000, and version 4.0 is the new EVS version being activated on June 29, 2000. If Automated Voice Response (AVR) is being used for eligibility verifications, no action needs to be taken. If the Omni swipe card device or the NECS software program is used for verifying eligibility, precautions may need to be taken to ensure that the eligibility service is not interrupted.
 - **What this means to Providers using the OMNI swipe card device for eligibility transactions:**
If version 3.0 of EVS is installed, the *Benefit Limitations Reached?* indicator will contain three benefit limitation types –one *Transportation Service*, and two *Optometry* –when an eligibility transaction is ran. If these indicators are not displayed, the system is running either a version 00, 01, or 02. The Omni terminal must be downloaded to receive version 3.0 before June 29, 2000; otherwise, error message 21 – *wrong software version running on POS device*, will be received beginning June 29, 2000. This error message will be received until a successful download is performed. If a download is performed on or after June 29, 2000, version 4.0 will be downloaded.
 - **What this means to Providers using NECS to verify member eligibility:**
To determine whether version 3.0 of NECS is downloaded, view the main menu screen of NECS. The main menu screen will read *Indiana Title XIX NECS Version 3.00*. If the version indicated on the main menu is any version other than 3.00, version 3.00 must be installed to continue receiving eligibility verifications on or after June 29, 2000. If version 3.0 is not installed on or before June 29, 2000, error message 21 – *wrong software version running on POS device* will be received when attempting to verify eligibility. **Please note that NECS will not be upgraded to version 4.0 of EVS.** A new windows based software, Provider Electronic Solutions, will be available from EDS in July of 2000. This new software will contain version 4.0 of EVS.
 - **What this means to Providers using outside vendors for eligibility verification:**
If using an outside vendor for eligibility verification, please contact the eligibility vendor to verify that version 3.0 of the EDS Eligibility Verification System is running and that testing is in process to upgrade to version 4.0 on June 29, 2000. If using an outside vendor and error message 21 is received on or after June 29, 2000, please contact the eligibility vendor.

If there are any questions or concerns regarding these EVS changes, please contact the EDS Omni Help Desk at 1-800-284-3548 or the EDS Electronic Claims Help Desk at (317) 488-5160.

To All Indiana Health Coverage Programs Pharmacy Providers and All Providers Administering Infusions, Inhalations, or Injections

Note: This information is not directed to those providers rendering services in the risk-based managed care delivery system

- Banner page BR200013, dated March 28, 2000, advised of forthcoming drug average wholesale price (AWP) modifications to be made by EDS' drug file vendor, First Data Bank. These drug file changes were being made as a result of national investigation by state and federal agencies that revealed, according to the National Association of Medicaid Fraud Control Units (NAMFCU), a pattern of misrepresentation by some drug manufacturers of the AWP and wholesale acquisition costs of certain drug products. The referenced AWP

changes were received from First Data Bank by EDS on May 3, 2000, and became effective for claims processing purposes as of May 4, 2000. Unfortunately, it has since become apparent that some of the rates provided to First Data Bank by the NAMFCU are incorrect. Specifically, the rates for certain Vancomycin injection products were inaccurate. The NAMFCU was made aware of the discrepancy and had First Data Bank adjust the Medicaid AWP rates for Vancomycin NDCs, 00074-6533-01 and 00205-3154-15, to \$9.048 and \$9.020, respectively. The rate adjustments became effective for claims processing on June 7, 2000. All claims for those NDC's that were submitted between May 3, 2000, and June 7, 2000, will be identified, and a mass adjustment will occur to pay the correct Medicaid AWP rate. Other rate adjustments may be forthcoming from the NAMFCU. Providers who have discovered reimbursement rate changes for drug products that are below the rate for which the product can be purchased from a wholesaler should notify the POS/ProDUR Help Desk of the situation. The help desk will forward the information to the NAMFCU. We apologize for the inconvenience caused by the flawed data that was provided to First Data Bank and forwarded to the Indiana Health Coverage Programs. Please be assured that we are exerting every effort to correct the discrepancy as soon as possible. If you have any questions about this matter, please contact the POS/ProDUR Help Desk at (877) 877-5182.

To All Indiana Health Coverage Programs About Hospice Benefits:

- This message is to clarify hospice benefits and the services defined as covered under the Indiana Health Coverage Programs (IHCP) hospice per diem. According to *405 IAC 5-34-8*, services covered within the IHCP hospice per diem reimbursement rates include the following:
 - Nursing care provided by or under the supervision of a registered nurse
 - Medical social services provided by a social worker who has at least a bachelor's degree and is working under the supervision of a physician
 - Physician services provided by the medical director or a physician member of the interdisciplinary team that may be characterized as follows:
 - General supervisory services, participation in the establishment of the plan of care, supervision of the plan of care, periodic review, and establishment of governing policies, for example, services covered by hospice per diem revenue codes 651, 652, 653, 654, and 655
 - Direct care patient services covered by fee-for-service revenue code 657
 - Counseling services provided to the member and the member's family or other person caring for the member
 - Short-term inpatient care provided in a hospice inpatient unit, participating hospital, or nursing home subject to the limitations outlined in *405 IAC 1-16-3*
 - Medical appliances and supplies, including palliative drugs related to the palliation or management of the member's terminal illness
 - Home health services furnished by qualified aides
 - Homemaker services that assist in providing a safe and healthy environment
 - Physical, occupational therapy, and speech-language pathology services provided for purposes of symptom control
 - Inpatient respite care, subject to the limitations in *405 IAC 1-16-2*
 - Room and board for dually eligible Medicare/Medicaid hospice recipients who reside in long term care facilities, as set out in *405 IAC 1-16-4*
 - Room and board for Medicaid-only hospice recipients who reside in long term care facilities as covered by hospice per diem revenue codes 653 and 654
 - Any other item or service specified in the member's plan of care, if the item or service is a covered service under the Medicare program

Initial hospice audit findings have resulted in recoupment activity for pharmacy services. The OMPP would like all pharmacy providers to make special note of the sixth bullet point which outlines pharmacy services covered under the hospice per diem reimbursement rate, and payable by the hospice provider. Should there be any questions, please contact the EDS Long Term Care Unit, at (317) 488-5098.