



## 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 Program Long Term Care Providers:**

- In August 2000, EDS updated the IndianaAIM system to deny long-term care claims in accordance with Health Care Financing Administration (HCFA) guidelines when Indiana Health Coverage Programs (IHCP) members have skilled and long-term care coverage. However, claims were inadvertently denied for IHCP members whose Medicare supplemental policy covers skilled care only for the members' Medicare benefit period.

Long-term care claims that denied for edits 2504 and 2505 that state *this recipient is covered by private insurance which must be billed prior to Medicaid* on the remittance advice dated October 10, 2000, have been reprocessed, and should appear on the remittance advice dated October 17, 2000. If there are any questions, please contact EDS Customer Assistance Unit at (317) 655-3240 or 1-800-577-1278, or contact the EDS TPL Unit at (317) 488-5046 or 1-800-457-4510.

**To All Indiana Health Coverage Program Pharmacy Providers:**

*Note: The information referenced below is not directed to those providers rendering services in the risk-based managed care (RBMC) delivery system.*

- The following labeler has entered into a drug rebate agreement and joined the rebate program effective September 14, 2000:
  - Layton BioScience, Inc (Labeler Code 17205)

**To All Indiana Health Coverage Program Hospice and Pharmacy Providers:**

- At the direction of the Office of Medicaid Policy and Planning (OMPP), the EDS Long Term Care Unit started a hospice agency review process in January 2000. The EDS hospice reviews have identified that some pharmacies enrolled in the IHCP are billing the IHCP separately for medications already included in the hospice provider's IHCP or Medicare per diem payment(s). These medications have been identified by the hospice providers during the hospice agency review process. It is important to note that the OMPP has contacted other State Medicaid agencies, and has determined that overpayments to pharmacies is a concern shared by their State Medicaid agencies. The OMPP is also aware that overpayments of this nature concern the Health Care Financing Administration (HCFA) and the Office of Inspector General (OIG).

Hospice providers and non-hospice providers, such as pharmacies, are notified about program compliance and recoupment issues through *individual summary of findings*

*letters*. The *summary of findings letters* are sent out 30 business days after each hospice audit is completed. If an overpayment is identified, the letter states that EDS will establish an accounts receivable and deduct the overpayment amount from future IHCP payments.

The Medicare and Medicaid programs require hospice providers to work with non-hospice providers regarding coordination and billing issues. In fact, hospice providers are required to instruct contracted providers, such as pharmacies, to bill the hospice directly for medications dispensed to treat the hospice patient's terminal illness. Furthermore, hospice providers are also responsible for educating hospice patients about the hospice care philosophy. Hospices are further responsible for informing hospice patients about the non-hospice providers with which the hospice has contractual arrangements for the provision of hospice core services. These non-hospice providers are equivalent to *in-network providers* under traditional insurance programs.

Pharmacy providers have indicated that the recoupment process is frustrating for them since Point of Sale (POS) and Automated Voice Response (AVR) do not specify that an IHCP member is enrolled in the hospice program. The OMPP and EDS are currently evaluating system modifications that would allow this information to be provided by the system. While the OMPP understands the frustrations encountered by IHCP pharmacy providers, all duplicate payments must be recouped. In an effort to minimize duplicate payments, the OMPP has made specific recommendations in the *IHCP Hospice Provider Manual* to help hospice providers evaluate their procedures. An upcoming banner page message will be issued to address all providers. Pharmacy providers with any questions or concerns may contact EDS at (317) 488-5098.