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 Acute Care Hospital Providers:

- This banner message is to clarify the current reimbursement policy for outpatient treatment room services. Treatment room services include emergency department visits, clinic visits, cast room, labor room and delivery, and observation. Treatment rooms are billed using revenue codes 45X, 51X, 52X, 70X, 72X, and 76X.

  Emergency department services are furnished to ill and injured patients who require immediate, unscheduled medical or surgical care. Clinic services are furnished for diagnostic, preventative, curative, and rehabilitation services to ambulatory patients. Cast room services include cast application, maintenance, and removal. Labor room and delivery services are provided by specially trained nursing personnel for prenatal care during delivery, assistance during delivery, postnatal care, and minor gynecologic procedures. Observation room services are furnished by a hospital, on the hospital's premises, and include the use of a bed and periodic monitoring by the hospital's nursing staff. Observation room services are reasonable and necessary to evaluate the patient's condition or determine the need for possible admission to the hospital as an inpatient. Services are covered only when ordered by a physician or other individual authorized by state licensure law and hospital bylaws to admit patients to the hospital or to order outpatient tests.

  Treatment room services are reimbursed at a flat rate that includes most drugs and supplies. Reimbursement is limited to one unit per day, per patient, per provider. If after reasonable and necessary evaluation of the patient's condition, it is determined that the patient should be admitted as an inpatient, the hospital is permitted to receive reimbursement for both the outpatient treatment room service, up to and including the day of admission, and the inpatient diagnosis related group or level of care payment. Stand-alone services may be billed in conjunction with treatment room services.

  Please refer to Chapters 7 and 8 of the *Indiana Health Coverage Programs Provider Manual,* available at www.indianamedicaid.com, for more information regarding the outpatient prospective payment system and billing guidelines. Please direct questions to the EDS Customer Assistance Unit at (317) 655-3240 in the Indianapolis local area or (800) 577-1278.

To All Indiana Health Coverage Programs Providers:

- The 2001 Indiana Health Coverage Programs (IHCP) seminars will be held September 18, through September 21, 2001, at the Four Points by Sheraton, located on the east side of Indianapolis. **The registration deadline has been extended to September 12, 2001.** Several areas of Indianapolis interstates are currently under construction, so extra travel time should be allowed. For your comfort, business casual attire is recommended at the seminars.

A sweater or jacket is suggested since temperature varies from room to room. Additionally, Vincente Reid, Medicare Recovery Specialist, will be at the seminar on September 18 and 19 to answer provider questions.

Specific information about registration is located in the August 10, 2001, bulletin *BT200131*. This information is also available on the Website at www.indianamedicaid.com. Please direct any questions to EDS at (317) 488-5195.

To All Indiana Medicaid 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 federal upper limit (FUL) changes will be implemented September 24, 2001:

Generic Name and Strength	Price per Tablet
Benztropine Mesylate	
0.5 mg. Tablet, Oral, 100	$0.0898
1 mg. Tablet, Oral, 100	$0.0930
2 mg. Tablet, Oral, 100	$0.1027

To All Indiana Health Coverage Programs Physicians, Podiatrists, Dentists, Hospitals, Clinics, Mental Health Providers, and Pharmacies:

- Prior authorization (PA) requests for brand medically necessary drugs will be verified as approved or denied with a response from the automated voice response (AVR) system. The AVR responds *Approved* if the PA is approved, and no dollar or unit amount is stated. The AVR responds *Denied* if the PA is denied, with no dollar or unit amount stated. Additionally, the requestor will receive a PA letter for documentation and verification, which will have zeros in the fields for dollars and units respectively. Providers are asked to ignore the dollars and units fields, and focus on the *decision status* column for the response of either *Approved* or *Denied* for the PA request.