



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 Prescribing Physicians, Healthcare Workers and Pharmacy Providers:

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

- This is to notify providers that, for pharmacy claims for legend drugs received on or after October 28, 2001, with dates of service (dispense dates) of October 28, 2001, or after, the dispensing fee shall be reduced from the current level of a maximum of \$4.00 to \$3.00. In addition, drug component reimbursement will change from AWP minus 10% to AWP minus 13%.

These changes in reimbursement are being made because the Medicaid program biennial budget was not fully appropriated by the General Assembly during the 2001 legislative session. For State Fiscal Year 2002, the Medicaid budget was underappropriated by \$100 million, and for State Fiscal Year 2003, the shortfall is in excess of \$100 million. The State does not have sufficient funds to cover the growing costs of health care delivered to those who depend on the Medicaid program. OMPP is pursuing a number of cost containment initiatives that will reduce overall expenditures to levels appropriated by the General Assembly and enable the State to pay all providers for services delivered, ensuring access to services for eligible recipients.

To All Transportation Providers:

- The mass adjustments performed March 6, 2001, for transportation providers billing procedure codes X3033, A0150, and Y9001 are being reprocessed. EDS will systematically reprocess all affected claims. Adjustments will appear on RAs dated November 6, and November 13, 2001. Providers will not need to resubmit claims. The recoupment date for accounts receivable established as a result of the mass adjustment will be changed to November 9, 2001, to coincide with this reprocessing. Any questions should be directed to the EDS Customer Assistance Unit at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.

To All Providers:

- Provider bulletin *BT200130* recently revised the codes to be used for incontinence supplies. The new codes, *S8400 – Incontinent pants*, *S8402 – Diapers*, *S8405 – Incontinent liners*, *A4554 – Disposable underpads*, and *A4335 – Incontinence supply; miscellaneous*, were omitted from the Medicare/Third Party Liability bypass audit. These codes were added to the bypass audit on September 28, 2001. Providers should resubmit claims previously denied with *EOB 2502* or *2503*. Please remember an incontinence diagnosis must be documented on the submitted HCFA-1500 claim form.
- EDS previously reported Administar would recreate Medicare Part B tape for the week of July 14, 2001. EDS and Administar determined this tape cannot be recreated. Providers must submit the crossover claims on paper with the appropriate Medicare Explanation of Benefit (EOB) attached. The crossover claims must be submitted to the following address:
EDS – Indiana Health Coverage Program
P. O. Box 7267
Indianapolis, IN 46207-7267
- On October 1, 2001, the new *ICD-9-CM* diagnosis and *ICD-9-CM* procedure codes were entered in IndianaAIM. The new codes should now be used for all HCFA-1500 claims. However, the system processing components for pricing and editing of these new codes is **not yet** complete. Therefore, **inpatient** claims submitted with the new codes will deny for explanation of benefit (EOB) code *4116 – Diagnosis code is not valid for DRG pricing*. Upon completion of the component linkage, EDS will systematically reprocess all **inpatient** claims, and the reprocess date will be published in a future banner page article. Any questions

should be directed to the EDS Customer Assistance Unit at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.

- **All providers are asked to please forward this updated information to the bulletin recipients in each organization.** Bulletin *BT200140*, dated October 25, 2001, was mailed the week ending October 28, 2001. This bulletin described the plan for current PrimeStep Hoosier Healthwise members, in specific counties, to transition from primary care case management (PCCM) to enrollment in a local managed care organization (MCO) in the risk-based managed care (RBMC) delivery system. Minor revisions to the information published in the bulletin are available in a revised version of the bulletin *BT200140*, available on the Web at www.indianamedicaid.com. Both the original and the revised bulletin are available. Please refer to the Web site's revised release for the most current information about mandatory MCO enrollment in specific Indiana counties.

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