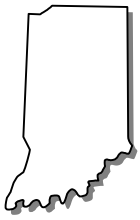
Indiana Health Coverage Programs



P R O V I D E R B U L L E T I N

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To: All Federally Qualified Health Centers and Rural Health Clinics

Subject: Change in Method of Filing Claims

Overview

This bulletin announces that effective April 1, 2003, the Indiana Health Coverage Programs (IHCP) will make significant changes in the method of filing claims and the reimbursement methodology for Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHCs).

In accordance with the *Benefits Improvement and Protection Act of 2000 (*BIPA) requirements, the IHCP will implement the Prospective Payment System (PPS) for reimbursing IHCP services. The PPS methodology is required for claims submitted with dates of service (DOS) on or after April 1, 2003. Beginning April 1, 2003, all FQHC and RHC facilities are required to submit claims using Health Care Procedure Coding System (HCPCS) Level III codes, including the current code *T1015 – Clinic, visit/encounter, all-inclusive;* and, Level I and Level II HCPCS procedure codes. FQHC and RHC providers will continue to be given a facility-specific PPS rate determined by Myers and Stauffer LC. Myers and Stauffer LC forwards the specific PPS rate information to the EDS Provider Enrollment Unit to load the rate for reimbursement of *T1015* to the specific provider enrollment file.

Claims submitted with Place of Service 72, 11, 12, or 31

For claims submitted with a place of service of 72, 11, 12, or 31, providers **must use** both the *T1015* encounter code and Current Procedural Terminology (CPT) or HCPCS codes. The claim logic will compare the CPT or HCPCS codes used to a list of valid CPT/HCPCS codes approved by the Office of Medicaid Policy and Planning (OMPP). If the claim contains both *T1015* and one of the allowable procedure codes from the encounter criteria, the CPT or HCPCS codes will correctly deny for *EOB 6096– The CPT/HCPCS code billed is not a valid encounter*. The encounter rate (*T1015*) will be reimbursed according to the usual and customary charge (UCC) established by Myers and Stauffer LC from the provider specific rate on the provider file. The provider should not resubmit CPT or HCPCS codes that were denied for *EOB 6096 – The CPT/HCPCS code billed is not a valid encounter*.

If the CPT or HCPCS code billed is not on the list of allowable procedure codes from the encounter criteria for place of service 72, 11, 12, or 31, the claim will deny for *EOB 4124 – FQHC and RHC services must be billed according to the PPS reimbursement methodology.*

Claims denied for *EOB 4124* should not be resubmitted for payment. Additionally, claims submitted with a place of service 72, 11, 12, or 31, with CPT/HCPCS codes that do not have the *T1015* present on the claims will deny for *EOB 4121 – T1015 must be billed with a valid CPT/HCPCS code.* These claims can be resubmitted with the *T1015* properly included.

Only one encounter per IHCP member, per provider, per day is allowed unless the diagnosis code differs. Valid encounters with differing diagnosis codes for a member that exceeds the allowed one encounter per day can be submitted to the IHCP for manual processing.

Claims submitted with Place of Service 20-26

Claims submitted with a place of service 20-26 will reimburse each line item detail at the current rate for that CPT/HCPCS code. It is not necessary to include the *T1015* encounter code on claims with place of service 20-26. These services are considered non-FQHC/RHC services provided by the valid provider but in an *other than RHC/FQHC setting*.

Dental Claims

Dental claims for RHCs and FQHCs should continue to be billed on a dental claim form using current dental terminology (CDT) codes. The T1015 encounter code should not be included on the dental claim form. Dental claims will be reconciled to the provider-specific PPS rate quarterly by Myers and Stauffer LC and settlements made at that time. The reconcilations will continue until such time that a national dental code is established to act as an all inclusive code on the dental claim form.

Managed Care

Risk-Based Managed Care (RBMC)

Claims for members in a risk-based managed care plan should continue to be billed in the current manner to the applicable managed care organization (MCO). The *T1015* encounter code should not be included on these claims. All MCO claims will be reconciled to the provider specific PPS rate quarterly by Myers and Stauffer LC and settlements made at that time. These reconciliations will continue until such time that the MCOs adapt the systems to the PPS methodology.

Primary Care Case Management (PCCM)

Claims submitted for members currently in the Hoosier Healthwise Primary Care Case Management (PCCM) and *Medicaid Select* Managed Care will continue to include all Primary Medical Provider (PMP) information on the HCFA-1500 claim form. PMP information is required on the HCFA-1500 claim form in the following fields: 17, PMP name; 17a, PMP's nine digit IHCP provider number; and 19, the PMP's two-digit certification code.

Billing Parameters

All Third Party Liability (TPL), patient liability, and co-payments will continue to apply as appropriate. Previous TPL payments and spenddown will be applied to the total amount due.

All Medicare crossover claims are excluded from the PPS logic as well as the new crossover reimbursement methodology, and will continue to pay co-insurance and deductible amounts.

Valid Encounter Codes

The following list of CPT/HCPCS codes is the current list of procedure codes that Myers and Stauffer LC, in conjunction with the OMPP, has determined to meet the criteria for a valid encounter. The list will be revised on an annual basis.

CPT/HCPCS Codes that Meet the Criteria for a Valid Encounter				
56501	57061	57452	57454	58100
59025	59409	59425	99385	99386
99387	99391	99392	99393	99394
99395	59426	59430	90843	90844
92002	92004	92012	92014	92499
94657	95115	98925	98926	98927
98928	99201	99202	99203	99204
99205	99211	99212	99213	99214
99215	99241	99242	99243	99396
99397	99401	99402	99403	99404
99432	99499	99271	99272	99274
99381	99382	99383	99384	W0660
W0661	X3027	X3000	X3006	

Additional Information

Direct questions about the information in this bulletin to Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278. Direct questions about provider specific cost reports or rate letters to Myers and Stauffer, LC at (317) 846-9521 in the Indianapolis area or 1-800-877-6927.