



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

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To: All IHCP-Enrolled Hospice Providers**Subject: Hospice Rates Effective October 1, 2006****Overview**

Each year on October 1, the Centers for Medicare & Medicaid Services (CMS) releases new hospice rates to State Medicaid agencies for Medicaid-enrolled hospice providers. This bulletin provides the following information for the Indiana Health Coverage Programs (IHCP) hospice rates that are effective October 1, 2006, through September 30, 2007:

- A brief explanation of the method of calculation used by Myers and Stauffer LC, the IHCP long term care contractor, about the new IHCP hospice rates.
- A brief summary of how EDS, the IHCP fiscal agent contractor, updated IndianaAIM, to reflect the new hospice rates.
- A table listing the new IHCP hospice rates, effective October 1, 2006, as prepared by Myers and Stauffer.

Method of Calculation

Reimbursement for the IHCP hospice benefit follows the methodology and level established by the CMS for the administration of the federal Medicare program. Therefore, the IHCP hospice rates, based on Medicare reimbursement rates and methodology, are adjusted to disregard offsets resulting from Medicare premium amounts. The rates are adjusted in wages using listings from CMS.

The total per diem amounts reimbursed to an IHCP-enrolled provider are calculated according to the IHCP hospice member's location of care. Hospice providers are reimbursed at one of the hospice levels of care (LOC). A member's hospice LOC is covered in one of the following situations:

- Routine home hospice LOC in the private home – IHCP hospice per diem only
- Routine home hospice LOC in the nursing home – IHCP hospice per diem plus room and board per diem
- Continuous home hospice LOC in the private home – IHCP hospice per diem only
- Continuous home hospice LOC in the nursing home – IHCP hospice per diem plus room and board per diem
- Inpatient respite care for the private home members or nursing facility members – IHCP hospice per diem only. There is no additional room and board per diem for this service.
- General inpatient care for the private home members or nursing facility members – IHCP hospice per diem only. There is no additional room and board per diem for this service.

Hospice providers are reminded that the Balanced Budget Act (BBA) of 1997 changed the reimbursement methodology so that the hospice per diem for routine and continuous home hospice LOC is paid using the wage index listing for the city or county where the member resides. The BBA of 1997 specified that when a hospice bills for inpatient hospice care, that the hospice rate would continue to be paid using the wage index of the city or county where the hospice is located. IndianaAIM pays IHCP hospice claims consistent with the BBA of 1997.

Payment of Hospice Claims

The new hospice rates were loaded into IndianaAIM on September 29, 2006, and are listed on Table 2. The unweighted amounts for the hospice rates are noted in Table 1 for those hospice agencies whose software requires this information.

Table 1 – Unweighted Amounts for Hospice Rates

Level of Care	Unweighted Amount
Routine Home Care	\$40.98
Continuous Home Care	\$238.95
Inpatient Respite Care	\$65.33
General Inpatient Care	\$209.40

There will be no mass claims adjustments as the system was updated with the new hospice rates prior to November 1, 2006, when hospice providers would start billing for October 2006 hospice service dates.

Hospice Rates, Effective for Dates of Service On or After October 1, 2006

Table 2 - Hospice Wage Adjusted Rates,
 Effective for Dates of Service On or After October 1, 2006

County Name	County Code	Wage Index	Routine Home Care	Continuous Home Care Full Rate 24 Hrs	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Anderson							
Madison	48	0.9131	123.14	718.06	29.92	135.72	549.46
Bloomington							
Greene	28	0.8983	121.81	710.30	29.60	134.58	543.94
Monroe	53	0.8983	121.81	710.30	29.60	134.58	543.94
Owen	60	0.8983	121.81	710.30	29.60	134.58	543.94
Cincinnati							
Dearborn	15	1.0225	132.98	775.47	32.31	144.15	590.20
Ohio	58	1.0225	132.98	775.47	32.31	144.15	590.20
Franklin	24	1.0225	132.98	775.47	32.31	144.15	590.20

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County Name	County Code	Wage Index	Routine Home Care	Continuous Home Care Full Rate 24 Hrs	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Columbus							
Bartholomew	3	1.0196	132.72	773.94	32.25	143.93	589.12
Elkhart-Goshen							
Elkhart	20	1.0238	133.10	776.15	32.34	144.25	590.68
Evansville							
Gibson	26	0.9266	124.36	725.15	30.21	136.76	554.48
Posey	65	0.9266	124.36	725.15	30.21	136.76	554.48
Vanderburgh	82	0.9266	124.36	725.15	30.21	136.76	554.48
Warrick	87	0.9266	124.36	725.15	30.21	136.76	554.48
Fort Wayne							
Allen	2	1.0414	134.69	785.38	32.72	145.61	597.24
Wells	90	1.0414	134.69	785.38	32.72	145.61	597.24
Whitley	92	1.0414	134.69	785.38	32.72	145.61	597.24
Gary							
Lake	45	0.9991	130.88	763.19	31.80	142.35	581.48
Jasper	37	0.9991	130.88	763.19	31.80	142.35	581.48
Newton	56	0.9991	130.88	763.19	31.80	142.35	581.48
Porter	64	0.9991	130.88	763.19	31.80	142.35	581.48
Indianapolis							
Boone	6	1.0549	135.90	792.47	33.02	146.65	602.27
Brown	7	1.0549	135.90	792.47	33.02	146.65	602.27
Hamilton	29	1.0549	135.90	792.47	33.02	146.65	602.27
Hancock	30	1.0549	135.90	792.47	33.02	146.65	602.27
Hendricks	32	1.0549	135.90	792.47	33.02	146.65	602.27
Johnson	41	1.0549	135.90	792.47	33.02	146.65	602.27
Marion	49	1.0549	135.90	792.47	33.02	146.65	602.27
Morgan	55	1.0549	135.90	792.47	33.02	146.65	602.27
Putnam	67	1.0549	135.90	792.47	33.02	146.65	602.27
Shelby	73	1.0549	135.90	792.47	33.02	146.65	602.27
Kokomo							
Howard	34	1.0111	131.96	769.48	32.06	143.28	585.95
Tipton	80	1.0111	131.96	769.48	32.06	143.28	585.95

(Continued)

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County Name	County Code	Wage Index	Routine Home Care	Continuous Home Care Full Rate 24 Hrs	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Lafayette							
Benton	4	0.9290	124.57	726.41	30.27	136.95	555.38
Carroll	8	0.9290	124.57	726.41	30.27	136.95	555.38
Tippecanoe	79	0.9290	124.57	726.41	30.27	136.95	555.38
Louisville							
Clark	10	0.9838	129.50	755.16	31.46	141.17	575.79
Floyd	22	0.9838	129.50	755.16	31.46	141.17	575.79
Harrison	31	0.9838	129.50	755.16	31.46	141.17	575.79
Washington	88	0.9838	129.50	755.16	31.46	141.17	575.79
Michigan City/LaPorte							
La Porte	46	0.9995	130.92	763.40	31.81	142.38	581.63
Muncie							
Delaware	18	0.9497	126.43	737.27	30.72	138.54	563.09
South Bend							
St. Joseph	71	1.0409	134.64	785.12	32.71	145.57	597.05
Terre Haute							
Clay	11	0.8831	120.44	702.32	29.26	133.41	538.28
Sullivan	77	0.8831	120.44	702.32	29.26	133.41	538.28
Vermillion	83	0.8831	120.44	702.32	29.26	133.41	538.28
Vigo	84	0.8831	120.44	702.32	29.26	133.41	538.28
Nonurban Areas							
Adams	1	0.9171	123.50	720.16	30.01	136.03	550.95
Blackford	5	0.9171	123.50	720.16	30.01	136.03	550.95
Cass	9	0.9171	123.50	720.16	30.01	136.03	550.95
Clinton	12	0.9171	123.50	720.16	30.01	136.03	550.95
Crawford	13	0.9171	123.50	720.16	30.01	136.03	550.95
Daviess	14	0.9171	123.50	720.16	30.01	136.03	550.95
De Kalb	17	0.9171	123.50	720.16	30.01	136.03	550.95
Decatur	16	0.9171	123.50	720.16	30.01	136.03	550.95
Dubois	19	0.9171	123.50	720.16	30.01	136.03	550.95
Fayette	21	0.9171	123.50	720.16	30.01	136.03	550.95
Fountain	23	0.9171	123.50	720.16	30.01	136.03	550.95

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County Name	County Code	Wage Index	Routine Home Care	Continuous Home Care Full Rate 24 Hrs	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Fulton	25	0.9171	123.50	720.16	30.01	136.03	550.95
Grant	27	0.9171	123.50	720.16	30.01	136.03	550.95
Henry	33	0.9171	123.50	720.16	30.01	136.03	550.95
Huntington	35	0.9171	123.50	720.16	30.01	136.03	550.95
Jackson	36	0.9171	123.50	720.16	30.01	136.03	550.95
Jay	38	0.9171	123.50	720.16	30.01	136.03	550.95
Jefferson	39	0.9171	123.50	720.16	30.01	136.03	550.95
Jennings	40	0.9171	123.50	720.16	30.01	136.03	550.95
Knox	42	0.9171	123.50	720.16	30.01	136.03	550.95
Kosciusko	43	0.9171	123.50	720.16	30.01	136.03	550.95
Lagrange	44	0.9171	123.50	720.16	30.01	136.03	550.95
Lawrence	47	0.9171	123.50	720.16	30.01	136.03	550.95
Marshall	50	0.9171	123.50	720.16	30.01	136.03	550.95
Martin	51	0.9171	123.50	720.16	30.01	136.03	550.95
Miami	52	0.9171	123.50	720.16	30.01	136.03	550.95
Montgomery	54	0.9171	123.50	720.16	30.01	136.03	550.95
Noble	57	0.9171	123.50	720.16	30.01	136.03	550.95
Orange	59	0.9171	123.50	720.16	30.01	136.03	550.95
Parke	61	0.9171	123.50	720.16	30.01	136.03	550.95
Perry	62	0.9171	123.50	720.16	30.01	136.03	550.95
Pike	63	0.9171	123.50	720.16	30.01	136.03	550.95
Pulaski	66	0.9171	123.50	720.16	30.01	136.03	550.95
Randolph	68	0.9171	123.50	720.16	30.01	136.03	550.95
Ripley	69	0.9171	123.50	720.16	30.01	136.03	550.95
Rush	70	0.9171	123.50	720.16	30.01	136.03	550.95
Scott	72	0.9171	123.50	720.16	30.01	136.03	550.95
Spencer	74	0.9171	123.50	720.16	30.01	136.03	550.95
Starke	75	0.9171	123.50	720.16	30.01	136.03	550.95
Steuben	76	0.9171	123.50	720.16	30.01	136.03	550.95
Switzerland	78	0.9171	123.50	720.16	30.01	136.03	550.95
Union	81	0.9171	123.50	720.16	30.01	136.03	550.95
Wabash	85	0.9171	123.50	720.16	30.01	136.03	550.95

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Warren	86	0.9171	123.50	720.16	30.01	136.03	550.95
Wayne	89	0.9171	123.50	720.16	30.01	136.03	550.95
White	91	0.9171	123.50	720.16	30.01	136.03	550.95

Contact Information

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