



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

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To: All Indiana Health Coverage Programs Hospice Providers

Subject: New Hospice Rates Effective October 1, 2000

Overview

Effective October 1st of each year, the Health Care Financing Administration (HCFA) establishes and releases new hospice rates to state Medicaid agencies for Medicaid-enrolled hospice providers.

This bulletin provides the following information about the new Medicaid hospice rates:

- A brief explanation of the method of calculation used by Myers and Stauffer, LC, to establish the Indiana Health Coverage Programs (IHCP) hospice rates.
- A brief summary of how EDS, the IHCP's fiscal agent contractor, updated the IndianaAIM system to reflect the new hospice rates and the date mass claims adjustments were completed.
- A table that reflects the new IHCP hospice rates, effective October 1, 2000, as prepared by Myers and Stauffer, LC, the IHCP's long-term care rate-setting contractor.

Method of Calculation of IHCP Hospice Rates

As outlined in the IHCP hospice provider manual, reimbursement for the IHCP hospice benefit follows the methodology and level established by the HCFA for administration of the federal Medicare program. IHCP hospice rates are, therefore, based on Medicare reimbursement rates and methodologies, adjusted to disregard offsets attributable to Medicare premium amounts. The rates are adjusted for regional differences in wages using indices published by the HCFA.

The total *per diem* amounts reimbursed to an IHCP-enrolled hospice provider are calculated according to the IHCP member's hospice level of care **and** the member's location of care, that is:

- Routine home hospice care delivered in the private home (IHCP hospice *per diem* only)
- Routine home hospice care delivered in a nursing facility (IHCP hospice *per diem* plus room and board *per diem*)
- Continuous home hospice care delivered in a private home (IHCP hospice *per diem* only)
- Continuous home hospice care delivered in a nursing facility (IHCP hospice *per diem* plus room and board *per diem*)
- Inpatient hospice care for private home members or nursing facility member (IHCP hospice *per diem* only), no additional room and board *per diem* is added for this service.

Payment of IHCP Hospice Claims at the New Hospice Rates

EDS loaded the new hospice rates into IndianaAIM December 22, 2000. The new hospice rates are reflected in Table 1.1.

Mass claims adjustments were completed January 5, 2001. Hospice providers were notified of the mass claims adjustments on the January 9, 2001 remittance advice (RA).

Mass adjustment requests are applied to change a large number of requests at one time. In this case, the Office of Medicaid Policy and Planning received formal notification from the Health Care Financing Administration (HCFA) regarding Medicaid hospice rates **after** the October 1, 2000 rate effective date so IndianaAIM could not be updated with the new hospice rates prior to the effective date. To ensure minimal disruption to hospice providers, the OMPP directed EDS to mass adjust hospice claims for dates of service on or after October 1, 2000. The reason for this mass adjustment request is because the new hospice rates for hospice procedure codes were changed retroactively.

A mass claims adjustment is identified on a RA statement with a Region code of 56. This means that the first two digits of the claim ICN are 56.

Further inquiries about the IHCP hospice benefits should be directed to the EDS Customer Assistance Unit at (317) 655-3240 in the Indianapolis local area or 1-800-557-1278.

Note: All rates listed in Table 1.1 are in dollars.

Table 1.1-Hospice Wage Adjusted Rates Effective October 1, 2000

County Name	County Code	Routine Home Care	Continuous Home Care Full Rate 24 Hours	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Bloomington						
Monroe	53	96.05	560.11	23.34	105.82	428.54
Cincinnati						
Dearborn	15	102.22	596.07	24.84	111.10	454.05
Ohio	58	102.22	596.07	24.84	111.10	454.05
Elkhart-Goshen						
Elkhart	20	101.93	594.39	24.77	110.85	452.87
Evansville						
Posey	65	93.89	547.53	22.81	103.97	419.60
Vanderburgh	82	93.89	547.53	22.81	103.97	419.60
Warrick	87	93.89	547.53	22.81	103.97	419.60
Fort Wayne						
Adams	1	99.81	582.06	24.25	109.04	444.11
Allen	2	99.81	582.06	24.25	109.04	444.11
De Kalb	17	99.81	582.06	24.25	109.04	444.11
Huntington	35	99.81	582.06	24.25	109.04	444.11
Wells	90	99.81	582.06	24.25	109.04	444.11
Whitley	92	99.81	582.06	24.25	109.04	444.11
Gary						
Lake	45	102.01	594.84	24.79	110.92	453.18
Porter	64	102.01	594.84	24.79	110.92	453.18
Indianapolis						
Boone	6	105.01	612.37	25.52	113.49	465.63
Hamilton	29	105.01	612.37	25.52	113.49	465.63
Hancock	30	105.01	612.37	25.52	113.49	465.63
Hendricks	32	105.01	612.37	25.52	113.49	465.63
Johnson	41	105.01	612.37	25.52	113.49	465.63
Madison	48	105.01	612.37	25.52	113.49	465.63
Marion	49	105.01	612.37	25.52	113.49	465.63

(Continued)

Table 1.1-Hospice Wage Adjusted Rates Effective October 1, 2000

County Name	County Code	Routine Home Care	Continuous Home Care Full Rate 24 Hours	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Morgan	55	105.01	612.37	25.52	113.49	465.63
Shelby	73	105.01	612.37	25.52	113.49	465.63
Kokomo						
Howard	34	98.49	574.33	23.93	107.91	438.63
Tipton	80	98.49	574.33	23.93	107.91	438.63
Lafayette						
Clinton	12	97.67	569.55	23.73	107.20	435.23
Tippecanoe	79	97.67	569.55	23.73	107.20	435.23
Louisville						
Clark	10	101.94	594.48	24.77	110.87	452.92
Floyd	22	101.94	594.48	24.77	110.87	452.92
Harrison	31	101.94	594.48	24.77	110.87	452.92
Scott	72	101.94	594.48	24.77	110.87	452.92
Muncie						
Delaware	18	112.79	657.72	27.41	120.16	497.81
South Bend						
St. Joseph	71	105.02	612.41	25.52	113.50	465.65
Terre Haute						
Clay	11	95.89	559.18	23.30	105.68	427.87
Vermillion	83	95.89	559.18	23.30	105.68	427.87
Vigo	84	95.89	559.18	23.30	105.68	427.87
Non-Urban Areas						
Bartholomew	3	94.59	551.58	22.98	104.56	422.48
Benton	4	94.59	551.58	22.98	104.56	422.48
Blackford	5	94.59	551.58	22.98	104.56	422.48
Brown	7	94.59	551.58	22.98	104.56	422.48
Carroll	8	94.59	551.58	22.98	104.56	422.48
Cass	9	94.59	551.58	22.98	104.56	422.48
Crawford	13	94.59	551.58	22.98	104.56	422.48
Daviess	14	94.59	551.58	22.98	104.56	422.48

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Table 1.1-Hospice Wage Adjusted Rates Effective October 1, 2000

County Name	County Code	Routine Home Care	Continuous Home Care Full Rate 24 Hours	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Decatur	16	94.59	551.58	22.98	104.56	422.48
Dubois	19	94.59	551.58	22.98	104.56	422.48
Fayette	21	94.59	551.58	22.98	104.56	422.48
Fountain	23	94.59	551.58	22.98	104.56	422.48
Franklin	24	94.59	551.58	22.98	104.56	422.48
Fulton	25	94.59	551.58	22.98	104.56	422.48
Gibson	26	94.59	551.58	22.98	104.56	422.48
Grant	27	94.59	551.58	22.98	104.56	422.48
Greene	28	94.59	551.58	22.98	104.56	422.48
Henry	33	94.59	551.58	22.98	104.56	422.48
Jackson	36	94.59	551.58	22.98	104.56	422.48
Jasper	37	94.59	551.58	22.98	104.56	422.48
Jay	38	94.59	551.58	22.98	104.56	422.48
Jefferson	39	94.59	551.58	22.98	104.56	422.48
Jennings	40	94.59	551.58	22.98	104.56	422.48
Knox	42	94.59	551.58	22.98	104.56	422.48
Kosciusko	43	94.59	551.58	22.98	104.56	422.48
La Grange	44	94.59	551.58	22.98	104.56	422.48
La Porte	46	94.59	551.58	22.98	104.56	422.48
Lawrence	47	94.59	551.58	22.98	104.56	422.48
Marshall	50	94.59	551.58	22.98	104.56	422.48
Martin	51	94.59	551.58	22.98	104.56	422.48
Miami	52	94.59	551.58	22.98	104.56	422.48
Montgomery	54	94.59	551.58	22.98	104.56	422.48
Newton	56	94.59	551.58	22.98	104.56	422.48
Noble	57	94.59	551.58	22.98	104.56	422.48
Orange	59	94.59	551.58	22.98	104.56	422.48
Owen	60	94.59	551.58	22.98	104.56	422.48
Parke	61	94.59	551.58	22.98	104.56	422.48
Perry	62	94.59	551.58	22.98	104.56	422.48

(Continued)

Table 1.1-Hospice Wage Adjusted Rates Effective October 1, 2000

County Name	County Code	Routine Home Care	Continuous Home Care Full Rate 24 Hours	Continuous Home Care Hourly Rate	Inpatient Respite Care	General Inpatient Care
Pike	63	94.59	551.58	22.98	104.56	422.48
Pulaski	66	94.59	551.58	22.98	104.56	422.48
Putnam	67	94.59	551.58	22.98	104.56	422.48
Randolph	68	94.59	551.58	22.98	104.56	422.48
Ripley	69	94.59	551.58	22.98	104.56	422.48
Rush	70	94.59	551.58	22.98	104.56	422.48
Spencer	74	94.59	551.58	22.98	104.56	422.48
Starke	75	94.59	551.58	22.98	104.56	422.48
Steuben	76	94.59	551.58	22.98	104.56	422.48
Sullivan	77	94.59	551.58	22.98	104.56	422.48
Switzerland	78	94.59	551.58	22.98	104.56	422.48
Union	81	94.59	551.58	22.98	104.56	422.48
Wabash	85	94.59	551.58	22.98	104.56	422.48
Warren	86	94.59	551.58	22.98	104.56	422.48
Washington	88	94.59	551.58	22.98	104.56	422.48
Wayne	89	94.59	551.58	22.98	104.56	422.48
White	91	94.59	551.58	22.98	104.56	422.48