



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 Physicians, Hospitals, Medical Clinics, Nurse Practitioners, Home Health Agencies, Long Term Care Providers, Pharmacies, and Medical Supply and Durable Medical Equipment Suppliers

Subject: Incontinence Supplies—Maximum Fees Established and Coding Procedure Revised

Note: The information in this bulletin regarding prior authorization, payment methodology and max fees may vary for providers rendering services to members enrolled in the risk-based managed care (RBMC) delivery system.

Overview

Effective September 17, 2001, the Health Care Financing Administration Common Procedure Coding System (HCPCS) Level II codes S8400, S8402, S8405, A4335, and A4554 must be used to bill the Indiana Health Coverage Programs (IHCP) for **all** incontinence supplies.

Currently, all incontinence supplies are reimbursed using HCPCS Level III (local) code Y4011.

The changes outlined in this bulletin have resulted, in part, from identification of provider abuse regarding incontinence supplies. The identified abuse was broad enough to warrant a change in billing practices.

Note: Integrity will be monitored by an ongoing review of claims submitted for incontinence supplies.

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All providers and suppliers who wish to submit claims to the IHCP for incontinence supplies, including pharmacies, **must** bill using the **HCFA-1500** claim form and using the appropriate Level II **HCPCS** codes. Pharmacies will not be permitted to bill for incontinence supplies using a drug claim form or the 11-digit National Drug Code (NDC), Health Related Item (HRI) code, or Universal Package code (UPC).

HCPCS Codes for Incontinence Supplies

Effective September 17, 2001, the codes in Table 1.1 must be used to bill for all incontinence supplies.

Table 1.1 – HCPCS Codes for Incontinence Supplies

HCPCS Code	Description	Prior Authorization	Maximum Fee (per unit)
S8400	Incontinent pants, each	Not required	\$1.47
S8402	Diapers, each	Not required	\$1.05
S8405	Incontinent liners, each	Not required	\$0.33
A4554	Disposable underpads, all sizes (for example, Chux's)	Not required	\$0.27
A4335	Incontinence supply; miscellaneous	Not required	Manually priced

S8400: One Unit is Equivalent to One Incontinent Pants, S8402: One Unit is Equivalent to One Diaper, and S8405: One Unit is Equivalent to One Incontinent Liner

The IHCP maximum allowable fee for S8400 is \$1.47 per incontinent pants. The maximum allowable fee for S8402 is \$1.05 per diaper. The maximum allowable fee for S8405 is \$0.33 per liner. The HCPCS codes for incontinent pants and diapers are not specific to size. Since the entire range of sizes is included under one procedure code, the maximum pricing allowance is based on the price for the most expensive item and size billable under the code. However, in accordance with the provider agreement and regulations governing the IHCP, providers may not bill the IHCP any amount that exceeds their usual and customary charge to non-IHCP customers or patients. IHCP will conduct random reviews of providers of incontinence supplies to ensure that IHCP members are being charged appropriately. Indiana providers billing the IHCP are not required to obtain prior authorization for codes S8400, S8402, and S8405.

Some products that should be billed using S8400 (incontinent pants) are fitted incontinent briefs, belted or slip-on incontinence undergarments, and so forth. Products packaged and labeled as *diapers* should be billed using S8402. Incontinence or bladder control pads, guards, liners, and similar products should be billed using S8405.

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A4554: One Unit is Equivalent to One Disposable Underpad

The IHCP maximum allowable fee for A4554 is \$0.27 per disposable underpad. However, in accordance with the provider agreement and the regulations governing the IHCP, providers may not bill the IHCP any amount that exceeds their usual and customary charge to non-IHCP customers or patients. Indiana providers billing the IHCP are not required to obtain prior authorization for code A4554.

A4335: Incontinence Supply, Miscellaneous

Code A4335 is manually priced and is to be used to obtain reimbursement for medically necessary items for incontinence care that are not specifically reimbursable using S8400, S8402, S8405, and A4554. However, in accordance with the provider agreement and the regulations governing the IHCP, providers cannot bill the IHCP any amount that exceeds their usual and customary charge to non-IHCP customers or patients. Indiana providers billing the IHCP are not required to obtain prior authorization for code A4335.

An example of a miscellaneous incontinence supply is a skin barrier used to treat excoriated or reddened tissue resulting from incontinence. **Only A4335** can be used for miscellaneous supplies related to incontinence that are not reimbursable using S8400, S8402, S8405, and A4554. Use of other codes may result in claims denial or recoupment.

Note: 405 IAC 5-29-1(5) disallows the coverage of personal comfort or convenience items. Therefore, products such as peri-wash spray, wet-wipes or baby wipes, and soap or cleansers used for incontinence care are non-covered by IHCP.

Monthly Maximum and Annual Allowance for Incontinence Supplies Per Member

The annual maximum allowable reimbursement continues to be \$1,950 per member. The total for any combination of supplies billed using codes S8400, S8402, S8405, A4335, and A4554 is limited to \$1,950 per member per rolling calendar year.

Incontinence supplies can only be provided to members in 30-day increments. Although a physician may write an order for a longer period of time, providers may only provide each member with a 30-day supply at a time.

Documentation Required for All Incontinence Supplies

Documentation of medical necessity is required for all incontinence supplies. The physician should maintain documentation of the medical necessity for the supplies in the patient record.

The supplier must maintain a signed physician's order in the IHCP member's record for audit purposes. The order must include a start and stop date, and a detailed list of the incontinence supplies ordered.

The physician's order must be renewed annually at minimum. For example, an order written on February 15, 2001, is effective for a maximum of 12 months through February 14, 2002. The supplier must obtain a new order to cover dates of service starting February 15, 2002, through February 14, 2003. The supplier must have a current order to initiate or continue the provision of supplies to an IHCP member.

The clinical documentation for S8400, S8402, S8405, A4335, and A4554 must include a diagnosis of incontinence. The incontinence diagnosis must also be documented on the submitted HCFA-1500 claim form, with information about the specific quantity and description of the supplies provided. The supplier should also maintain documentation of the specific quantity and description (such as brand, type, size, and so forth) of the supplies provided.

In addition to the signed physician's order, the supplier must maintain documentation of proof of delivery. Documentation must include the date of delivery, address of delivery, and signature of the IHCP member, caregiver, or family member who received the supplies.

Incontinence Supplies for Group Homes, Intermediate Care Facilities for the Mentally Retarded, and Long Term Care Facility Residents

Please note that incontinence supplies for members residing in group homes, intermediate care facilities for the mentally retarded, and long term care facilities are reimbursed through the per diem rate for the facility and may not be billed separately by the facility or any other provider.

Out-of-State Providers

Out-of-state providers (other than those located in designated bordering cities such as Louisville and Owensboro, Ky.; Watseka and Danville, Ill.; Cincinnati, Harrison, Hamilton, and Oxford, Ohio; and Sturgis, Mich.) must obtain prior authorization for all non-emergency services in accordance with 405 IAC 5-5.

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Further Information

Questions about the information contained in this bulletin can be directed to the Health Care Excel (HCE) Medical Policy Department at (317) 347-4500. Questions about billing procedures should be directed to EDS Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278.