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**To:           All Non-Nursing Facility Providers**

**Subject:    Crossover Reimbursement Information**

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## **Overview**

The purpose of this bulletin is to provide additional information about crossover claims. Recent banner page articles notified providers of Indiana Health Coverage Programs (IHCP) provider reimbursement changes affecting Medicare crossover claims. These publications only affect non-nursing facility providers' crossover claims.

### ***Medicare Crossover Claims Reimbursement Policy Changes***

Effective July 1, 2002, covered services for Medicare crossover claims will be reimbursed by the IHCP only when the Medicaid allowed amount exceeds the amount paid by Medicare. Please note, Medicare crossover claims will not be reprocessed for claims paid on or before June 30, 2002, and will remain unaffected by the policy change. The systems modifications for this will take place October 7, 2002. Claims paid prior to system modifications with service dates on or after July 1, 2002, will be mass adjusted in October 2002. This change in reimbursement policy for Medicare crossover claims will be addressed in *405 IAC 1-18*.

### ***Frequently Asked Crossover Claim and Coinsurance Questions***

**1. In the past, if a patient had private insurance covering 80 percent of the deductible, a provider would bill Medicaid the full amount of coinsurance. Will providers now receive a denial for the coinsurance amounts previously paid?**

There will be no changes in the way crossover claims will be billed. However, the claim will generally pay at a \$0.00 reimbursement level due to changes in the IHCP reimbursement methodology for crossover claims when the Medicaid allowed amount is less than or equal to Medicare paid amounts. In some instances, the IHCP will pay the lesser of the coinsurance plus deductibles or the difference between the Medicaid allowed amount and Medicare paid amount.

**2. Can a provider submit a commercial insurance rejection for 12 months to have Medicaid process a zero reimbursement?**

Yes. When a service repeatedly furnished to a member and repeatedly billed to the IHCP is not covered by the third-party commercial insurance policy, a provider can submit photocopies of the original insurer's denial for up to one year from the date of the original denial for each claim billed to the IHCP. The provider should include the phrase "blanket denial" on the carrier explanation of benefit.

**3. Will the rule of being able to bill Medicaid after 90 days with no response from a third party still apply? Can providers bill EDS and receive coinsurance rejection without hearing from the commercial insurance first?**

The rule change will not affect any established third party liability (TPL) policies. Please refer to *Chapter 5* of the *IHCP Provider Manual* for TPL requirements.

**4. Is coinsurance and the copayment from a Medicare HMO still considered a covered service?**

Yes; however, in many instances claims are paid at zero because the amount paid by Medicare exceeds the IHCP allowed amount.

**5. Will EDS be processing claims immediately at the new rates effective July 1, 2002, or will a mass adjustment be required?**

Due to the need to contain costs on an immediate basis, EDS will mass adjust claims as soon as all system changes are in effect. Providers will be notified in a subsequent bulletin or banner page the date that crossover claims will be adjusted.

**6. If a member has a spend-down, will providers be able to bill the member for the coinsurance and deductible amounts?**

Since providers agree to accept Medicaid payments as reimbursement in full, a member without a spend-down would not have to pay any of the coinsurance or deductibles. If a member has spend-down and TPL, the provider cannot bill the member the amount that exceeds the member's spend-down.

## Further Information

Additional questions about reimbursement to non-nursing facility provider's crossover claims should be addressed to EDS Customer Assistance at (317) 655-3240 within the Indianapolis area or at 1-800-577-1278 outside the Indianapolis area.

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