



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

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To: All Nursing Facilities

**Subject: Changes in Payment Procedures for Nursing Facilities
 That Are Not Medicare Certified**

Overview

This bulletin provides updates about the Indiana Health Coverage Programs (IHCP) nursing facility policy implemented by the Office of Medicaid Policy and Planning (OMPP) effective September 20, 2002, for nursing facilities enrolled in Medicaid that are not Medicare certified.

Reimbursement Issues

Currently, there are nursing facilities participating in Medicaid that are not certified for Medicare participation. These facilities have the potential of accepting dually-eligible (eligible for both Medicare Part A and Medicaid) members. These facilities are not Medicare certified and subsequently not able to bill Medicare for Part A services covered under the Medicare benefit. This billing practice can inappropriately increase Medicaid expenditures.

The OMPP has been working with members of the Indiana Health Care Association (IHCA), the Indiana Association of Home & Services for the Aging (IAHSA), and Hoosier Owners and Providers for the Elderly (HOPE) to come to a mutual agreement about whether these providers should become enrolled in Medicare or whether there is an alternative solution to this issue. The following policy change would not require Medicare certification as a condition of participation in the Medicaid program. However, providers who are not Medicare certified but who admit dually-eligible residents must demonstrate to the Medicaid program that the dually-eligible resident's stay is not a Medicare-covered stay. It must be noted that pursuant to *42 CFR 483.12*, the nursing facility must not require residents or potential residents to waive their rights to Medicaid or Medicare coverage. Additionally, pursuant to *405 IAC 1-1-3(f)*, third party resources (including Medicare) available to the resident must be used to defray the cost of medical services before Medicaid payments can be approved.

Medicaid-enrolled nursing facilities that are not Medicare certified must comply with the following:

- The nursing facility must certify to the OMPP that it will not request payment from Medicaid for services rendered to a dually-eligible Medicaid member who is eligible to receive Part A nursing facility benefits from Medicare, using the attached *Certification Statement* on page three of this bulletin. As long as a nursing facility elects not to become Medicare certified, this certification must be submitted annually to the OMPP's rate-setting contractor, Myers and Stauffer LC, along with the facility's regularly scheduled cost report submission.
- The nursing facility must maintain clinical, payment, and benefit records in sufficient detail to substantiate to the OMPP that a member for whom Medicaid payment was requested is not also entitled to or eligible for Part A nursing facility Medicare benefits. The facility must contact the Medicare fiscal intermediary to determine the availability of Medicare Part A coverage for individual residents.
- At the request of the OMPP, the nursing facility is required to make available any clinical documentation, and payment and benefit information that substantiates the nursing facility's assertion that a Medicaid member for whom a claim has been filed is not entitled to nor eligible for Medicare Part A benefits.
- Any inappropriate billing will be considered an overpayment made by the OMPP and must be repaid by the nursing facility either through an offset from future claims or via check remitted by the nursing facility.

This change will be effective for dates of service September 20, 2002.

Further Information

See page three of this bulletin for the *Certification Statement by Medicaid-Enrolled Nursing Facilities that are NOT Certified to Provide Medicare Part A Skilled Nursing Services*. Direct any questions about this bulletin to EDS Customer Assistance at (317) 655-3240 in the Indianapolis local area or 1-800-577-1278 outside the Indianapolis area.

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**Certification Statement by Medicaid-Enrolled
Nursing Facilities that are NOT Certified to Provide
Medicare Part A Skilled Nursing Services**

I hereby certify to the Indiana Family and Social Services Administration, Office of Medicaid Policy and Planning (OMPP) the following:

1. I am a duly authorized representative of the nursing facility named below.
2. This nursing facility has been properly enrolled and is currently certified to participate in the Indiana Medicaid program to provide nursing facility services.
3. This nursing facility does not currently maintain certification to provide Skilled Nursing Facility Services under the Medicare Part A insurance program.
4. This nursing facility will not request Medicaid payment for nursing facility services rendered to any resident that is eligible for benefits under both the Medicaid and Medicare Part A insurance programs, during any period when such resident is entitled to Medicare Part A insurance benefits.
5. I will promptly notify OMPP's rate setting contractor, Myers and Stauffer LC at the following address in writing if any of the items certified to herein change in any way.

**Myers and Stauffer LC
8555 North River Road, Suite 360
Indianapolis, IN 46240**

Nursing Facility Name

Provider Number

Physical Location Address of Facility

City/State/Zip Code

Name of Authorized Representative

Title

Signature

Date

*Indiana Health Coverage Programs
BT200241*

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August 7, 2002*