

IHCP *banner page*

INDIANA HEALTH COVERAGE PROGRAMS

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Reminders about billing for DME and HME services

Following a recent audit of Durable Medical Equipment (DME) and Home Medical Equipment (HME) claims by the Office of Medicaid Policy and Planning (OMPP) Program Integrity section, Indiana Health Coverage Programs (IHCP) providers are being reminded about the policies for billing DME and HME services.

Providers may not bill these services to IHCP members who are in Long-Term Care (LTC) facilities. IHCP members residing in LTC facilities, including nursing facilities (NFs), group homes, and intermediate care facilities for individuals with intellectual disabilities (ICFs/IID), should not be charged for services that are included in the facility *per diem* rate. Those services are not separately reimbursable.

Services included in the facility per diem rate are:

- Medical supplies
- Nonmedical supplies
- Routine DME and HME items
- Food supplements
- Nutritional supplements
- Infant formulas



To view the rules around services included in the per diem rate, see Title 405 of the *Indiana Administrative Code* ([IAC 5-13-3](#) and [IAC 5-31-4](#)).

Claims submitted for DME included in the LTC DME per diem table will deny with explanation of benefits (EOB) 2034 – *Medical and non-medical supplies and routine DME items are covered in the per diem rate paid to the Long-Term Care facility and may not be billed separately to the IHCP.* The per diem table is accessible from the [Long-Term Care DME Per Diem Table](#) page at in.gov/medicaid/providers.

As another reminder, suppliers of DME, HME, and other items included in the facility per diem rate should bill the LTC facility directly instead of the IHCP. Even if the facility does not include the cost of medical supplies in its cost report, under no circumstances should providers (pharmacy, facility, or any other provider) bill the IHCP.

Reimbursement of DME and HME is based on Medicare fee schedules and classifications of DME. Reimbursement of medical supplies is equal to the lower amount of the provider's submitted charges (usual and customary) or the Medicaid calculated allowed amount for the item. The Medicaid calculated allowed amount for an item is the amount on the *Professional Fee Schedule* and the *Outpatient Fee Schedule*, accessible from the [IHCP Fee Schedules](#) page at in.gov/medicaid/providers.

Note: For more information about billing and reimbursement of DME, HME, and medical supplies, see the [Durable and Home Medical Equipment and Supplies](#) provider reference module at in.gov/medicaid/providers.

QUESTIONS?

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