

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT2023113 SEPTEMBER 5, 2023

Hospice providers to be reimbursed for resident specific add-ons in addition to the daily per diem

The Indiana Health Coverage Programs (IHCP) recently announced plans for nursing facility reimbursement of resident-specific add-ons for special care unit (SCU) and ventilator services effective for dates of service (DOS) on or after **July 1, 2023**. See *IHCP Bulletin* [BT202380](#) for additional details. This change impacts hospice providers that render services at qualifying nursing facilities when they bill room-and-board revenue codes for per diem reimbursement.

A state plan amendment addressing resident-specific add-ons must be approved by the Centers for Medicare & Medicaid Services (CMS) prior to their implementation. Providers will continue to be reimbursed according to the April 4, 2023, rates (which include any current add-ons to the per diem), until the state plan amendment has been approved and the July 1, 2023, rates have been released. Providers will be notified in a future IHCP bulletin when the resident-specific add-ons have been approved and reimbursement will begin.

Hospice billing and reimbursement for the resident-specific add-ons for SCU and ventilator services

When hospice providers bill room-and-board per diem charges for services rendered at a qualifying nursing facility, they must designate SCU residents with Alzheimer's or dementia by using revenue code 193 on the institutional claim (*UB-04* claim form or electronic equivalent), in addition to billing for room-and-board charges using the applicable room-and-board revenue code.



Use of revenue code 193 will trigger payment of the SCU add-on for qualifying residents. The SCU resident-specific add-on will be paid to qualifying facilities at a rate of \$12 per eligible Medicaid resident day.

When hospice providers bill room-and-board per diem charges for services rendered at a qualifying nursing facility, they must designate ventilator-dependent residents by using revenue code 199 on the institutional claim, in addition to billing for room-and-board charges using the applicable room-and-board revenue code.

Use of revenue code 199 will trigger payment of the ventilator add-on for qualifying residents. The ventilator resident-specific add-on will be paid to qualifying facilities at a rate of \$80 per eligible Medicaid resident day.

Hospice providers will be required to bill the applicable room-and-board revenue code as well as an additional detail line with the applicable add-on revenue code of 193 or 199 with the respective units and total charges to receive the appropriate reimbursement. Billing the room-and-board revenue code will generate the per diem rate reimbursement. The additional detail line containing revenue code 193 or 199 will generate the resident-specific add-on payment (if applicable).

These billing and reimbursement requirements apply to qualifying specialized services delivered to eligible IHCP members enrolled under the fee-for-service (FFS) delivery system (such as Traditional Medicaid) or in the Hoosier Care Connect managed care program. Managed care entities (MCEs) that encounter claims meeting these criteria should contact the Office of Medicaid Policy and Planning (OMPP) at FSSA.IHCPReimbursement@fssa.in.gov for assistance with processing additional payment determinations.

Additional details regarding processing the add-on component for qualifying claims will be made available upon CMS approval of these payments.

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