

# IHCP *bulletin*

## Reminder about changes to physician reimbursement adjustment policies; FFS effective date changed

In *Indiana Health Coverage Programs (IHCP) Bulletin [BT202426](#)*, the IHCP announced updates to physician reimbursement adjustment policies to coincide with the January 2024 Healthy Indiana Plan (HIP) Rate Equalization Project. Table 1, [Table 2](#) and [Table 3](#) reflect the changes being made to practitioner, procedure-based and site-of-service adjustments for the fee-for-service (FFS) delivery system. When implemented, these changes will be effective retroactively for FFS claims with dates of service (DOS) on or after **April 1, 2024**. For managed care entities (MCEs), these changes were effective for claims with DOS on or after **Jan. 1, 2024**.



For physician rate adjustments, the IHCP is moving from Indiana Medicaid policy to Medicare policies, where applicable. For areas with no Medicare policy, IHCP policy will continue to be used. Any FFS claims submitted for DOS on or after April 1, 2024, that did not receive the current adjustment will need to be adjusted.

Providers can expect to see adjustments to affected FFS claims after the system changes have been completed in the Core Medicaid Management Information System (CoreMMIS). Additional publications will be issued regarding FFS claim adjustments.

As a reminder, effective April 1, 2024, IHCP physician rates have been aligned with 100% of Medicare rates, as published in *IHCP Bulletins [BT2023149](#), [BT2023150](#), [BT2023172](#) and [BT202426](#)*. The IHCP is using the 2023 Medicare practice expense (PE) relative value units (RVUs). The PE RVU should match the same period as the fee schedule being used (for example: Jan. 1, 2025, rates will use the 2024 Medicare PE RVUs, and will continue this way annually).

*Table 1 – Office of Medicaid Policy and Planning (OMPP) rate equalization practitioner reimbursement adjustment policies, effective for DOS on or after April 1, 2024, for FFS (Jan. 1, 2024 for managed care)*

	Reimbursement adjustment	Adjustment policy utilized	Adjustment policy	Additional billing guidance
<b>1</b>	<b>Practitioner Adjustments</b>			
1.1	Advanced practice registered nurses (APRNs) – <i>except for certified registered nurse anesthetist (CRNA)</i>	Medicare	85%	
1.2	Certified registered nurse anesthetist (CRNA)	Medicare	CRNA medically directed – 50%	Modifier QX
			CRNA not medically directed – 100%	Modifier QZ
1.3	Physician assistant	Medicare	85%	

*Table 1 – Office of Medicaid Policy and Planning (OMPP) rate equalization practitioner reimbursement adjustment policies, effective for DOS on or after April 1, 2024, for FFS (Jan. 1, 2024 for managed care) (Continued)*

	Reimbursement adjustment	Adjustment policy utilized	Adjustment policy	Additional billing guidance
<b>1</b>	<b>Practitioner Adjustments</b>			
1.4	Licensed psychologist  Licensed independent school psychologist	Medicare	100%	
1.5	Licensed clinical social worker (LCSW)	Medicare	75%	
1.6	Licensed marriage and family therapist (LMFT)  Licensed mental health counselor (LMHC)  Licensed clinical addiction counselor (LCAC)	Indiana Medicaid	75%	
1.7	Physical therapist assistant	Indiana Medicaid	75%	Modifier HM
1.8	Speech-language pathologist aide	Indiana Medicaid	75%	Modifier HM
1.9	Co-surgeons	Medicare	62.5%	Modifier 62
1.10	Physician – assistant at surgery	Medicare	16%	Modifier 80, 81, 82
1.11	APRN – assistant at surgery	Medicare	13.6% (85% of 16%)	Modifier AS
1.12	Physician assistant – assistant at surgery	Medicare	13.6% (85% of 16%)	Modifier AS

*Table 2 – OMPP rate equalization procedure-based adjustment policies, effective for DOS on or after April 1, 2024, for FFS (Jan. 1, 2024 for managed care)*

	Reimbursement adjustment	Adjustment policy utilized	Adjustment policy	Additional billing guidance
<b>2</b>	<b>Procedure-Based Adjustment</b>			
2.1	Multiple surgery	Medicare	<ul style="list-style-type: none"> <li>100% of the global fee for the most expensive procedure</li> <li>50% of the global fee for the remaining procedures</li> </ul>	Modifier 51 <b>And</b> Indicator of “1” or “2” from the Multiple Procedure (“MULT PROC”) field of the Medicare physician fee schedule RVU file
2.2	Multiple endoscopy procedures (if all procedures are endoscopy procedures; otherwise standard multiple surgery rules apply)	Medicare	<ul style="list-style-type: none"> <li>100% of the global fee for the most expensive procedure</li> <li>50% of the global fee for the remaining procedures</li> </ul>	Modifier 51 <b>And</b> Indicator of “3” from the Multiple Procedure (“MULT PROC”) field of the Medicare physician fee schedule RVU file

*Table 2 – OMPP rate equalization procedure-based adjustment policies, effective for DOS on or after April 1, 2024, for FFS (Jan. 1, 2024 for managed care) (Continued)*

	Reimbursement adjustment	Adjustment policy utilized	Adjustment policy	Additional billing guidance
<b>2</b>	<b>Procedure-Based Adjustment</b>			
2.3	Bilateral surgery	Medicare	150%	No modifier if inherently bilateral (procedure is identified by terminology as bilateral) <b>Or</b> Modifier 50 if not inherently bilateral

*Table 3 – OMPP rate equalization site-of-service adjustment policies, effective for DOS on or after April 1, 2024, for FFS (Jan. 1, 2024 for managed care)*

	Reimbursement adjustment	Adjustment policy utilized	Adjustment policy	Additional billing guidance
<b>3</b>	<b>Site-of-Service Adjustments</b>			
3.1	Site-of-service payment adjustment	Medicare	<ul style="list-style-type: none"> <li>Medicare facility PE RVUs</li> <li>Medicare POS codes (See <i>Place of service codes</i> section in this bulletin for listing.)</li> </ul>	Medicare physician fee schedule PE RVUs and Medicare POS codes

**Place of service codes**

The following place of service (POS) codes are used for Medicaid and Medicare site-of-service adjustments:

- Medicaid POS codes
  - 19 Off campus – outpatient hospital
  - 22 On campus – outpatient hospital
  - 23 Emergency room
  - 62 Comprehensive outpatient rehabilitation facility
- Medicare POS codes
  - 02 Telehealth
  - 19 Outpatient hospital-off campus
  - 21 Inpatient hospital
  - 22 Outpatient hospital – on campus
  - 23 Emergency room – hospital
  - 24 Ambulatory surgical center (ASC)

- Medicare POS codes (Continued)
  - 26 Military treatment facility
  - 31 Skilled nursing facility (SNF)
  - 34 Hospice
  - 41 Ambulance – land
  - 42 Ambulance – air or water
  - 51 Inpatient psychiatric facility
  - 52 Psychiatric facility – partial hospitalization
  - 53 Community mental health center
  - 56 Psychiatric residential treatment center
  - 61 Comprehensive inpatient rehabilitation facility

### For more information

If you have questions, please let us know by emailing [FSSA.IHCPReimbursement@FSSA.IN.gov](mailto:FSSA.IHCPReimbursement@FSSA.IN.gov).

### QUESTIONS?

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