IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT202565 MAY 22, 2025

# IHCP clarifies hospice prior authorizations, billing and reimbursement

The Indiana Health Coverage Programs (IHCP) is presenting clarification to hospice providers regarding hospice prior authorization (PA), billing and reimbursement.

## Hospice prior authorization

When requesting hospice services for IHCP members, hospice providers must follow the PA and notification process set up by the managed care entity (MCE) or the fee-for-service (FFS) prior authorization and utilization management (PA-UM) contractor for each benefit period.

For Healthy Indiana Plan (HIP), Hoosier Care Connect and Indiana PathWays for Aging (PathWays) members, it is the responsibility of the hospice provider to follow each MCE's hospice PA and notification process. See the MCE provider manual for more information.

For Traditional Medicaid (fee-for-service) members, hospice providers can follow the hospice authorization process in the *Hospice Services* provider reference module at in.gov/medicaid/providers.

All applicable forms must be submitted with the PA request, as presented in Tables 1 and 2. All the forms, except the hospice agency form, are available in the Hospice Forms section of the *Forms* webpage at in.gov/medicaid/providers.

*Table 1 – Hospice forms for Medicaid-only members**

| Form | Purpose |
|---|---|
| Medicaid Hospice Election form | Indicates the IHCP member's willingness to choose the service |
| Medicaid Hospice Physician Certification form | Indicates the hospice member's prognosis and diagnosis that prompted hospice election |
| Medicaid Hospice Plan of Care form | Monitors treatment modalities and processes |

*Table 2 – Hospice forms for dually eligible (Medicare and Medicaid) members**

| Form | Purpose |
|---|---|
| Hospice Authorization Notice for Dually Eligible Medicare/ Medicaid Nursing Facility Residents form | Indicates the IHCP member's willingness to choose the service |
| A copy of the hospice agency form showing the Medicare hospice election date (labeled with the member's name, date of birth and IHCP Member ID) | Indicates the hospice election date |

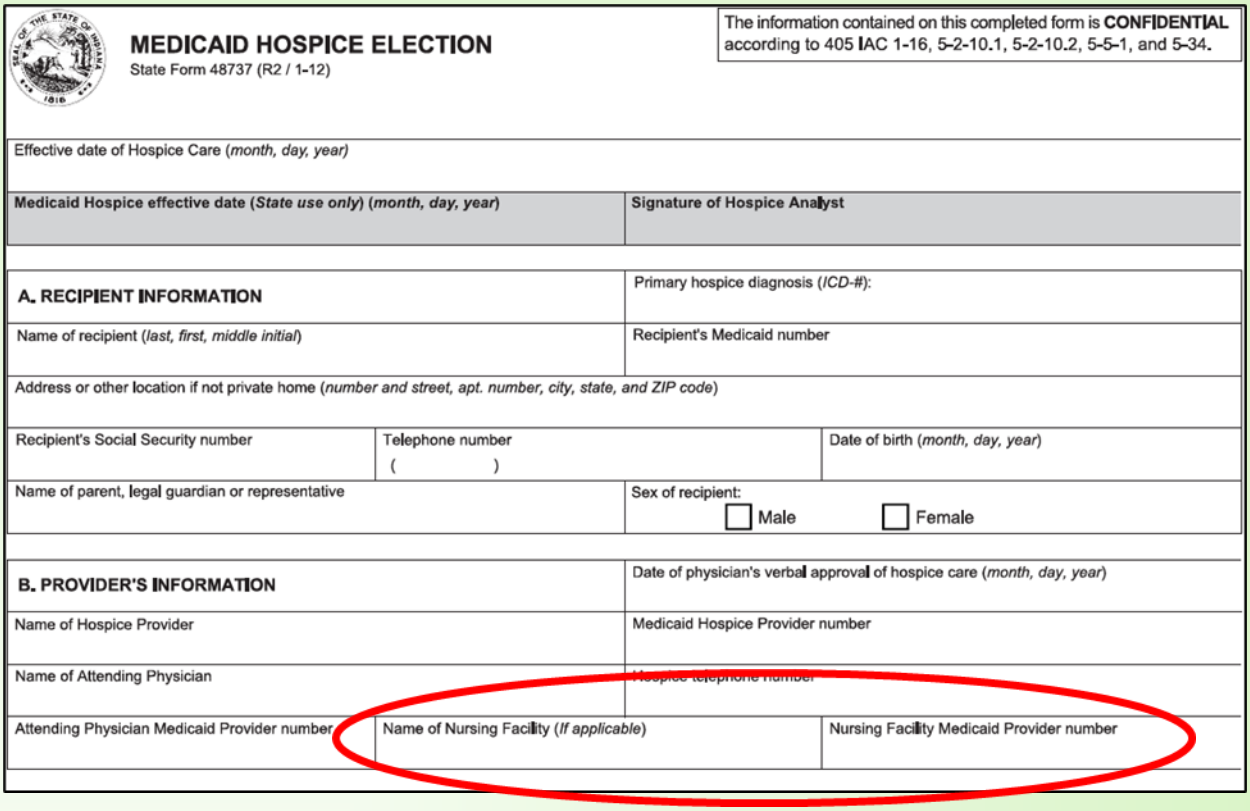
**Members residing in a nursing facility must have a coordinated plan of care prepared by the nursing facility and the hospice providers.*

### *Important form fields for room-and-board payment*

For members receiving hospice services in a nursing facility, hospice providers must include the following information under section "B. Provider's Information" on the *Medicaid Hospice Election* form, for room-and-board charges to process and pay correctly (see Figure 1):

- Name of Nursing Facility
- Nursing Facility Medicaid Provider Number

*Figure 1 – Important Medicaid Hospice Election Form fields to complete for proper payment for members in nursing facilities*



**MEDICAID HOSPICE ELECTION**
State Form 48737 (R2 / 1-12)

The information contained on this completed form is **CONFIDENTIAL** according to 405 IAC 1-16, 5-2-10.1, 5-2-10.2, 5-5-1, and 5-34.

| | |
|---|---|
| Effective date of Hospice Care (*month, day, year*) | |
| **Medicaid Hospice effective date (*State use only*) (*month, day, year*)** | **Signature of Hospice Analyst** |
| **A. RECIPIENT INFORMATION** | Primary hospice diagnosis (*ICD-#*): |
| Name of recipient (*last, first, middle initial*) | Recipient's Medicaid number |
| Address or other location if not private home (*number and street, apt. number, city, state, and ZIP code*) | |
| Recipient's Social Security number / Telephone number ( ) / Date of birth (*month, day, year*) | |
| Name of parent, legal guardian or representative | Sex of recipient: ☐ Male ☐ Female |
| **B. PROVIDER'S INFORMATION** | Date of physician's verbal approval of hospice care (*month, day, year*) |
| Name of Hospice Provider | Medicaid Hospice Provider number |
| Name of Attending Physician | Hospice telephone number |
| Attending Physician Medicaid Provider number / Name of Nursing Facility (*If applicable*) / Nursing Facility Medicaid Provider number | |

## Hospice billing and reimbursement

The Medicaid reimbursement for hospice services is made at one of four all-inclusive per diem rates, or levels of service, and one of two location types, for each day an IHCP member is under the care of the hospice provider.

Hospice providers complete the institutional claim (*UB-04* paper claim form, IHCP Provider Healthcare Portal institutional claim or 837I electronic transaction) when billing the IHCP. Hospice service delivery should be identified on the claim using one of the revenue codes in Table 3.

*Table 3 – Revenue codes for hospice billing*

| Revenue code | Purpose | Applies to |
|---|---|---|
| 183* | Nursing facility bed hold for hospice therapeutic leave days | Traditional Medicaid hospice members only |
| 185* | Nursing facility bed hold for hospitalization for services unrelated to the terminal illness of the hospice member | Traditional Medicaid hospice members only |
| 193* | Special care unit (SCU) add-on payment for hospices with a member in a nursing facility | Providers of specialized SCU services |
| 199* | Ventilator add-on payments for hospices with a member in a nursing facility | Providers of specialized ventilator services |
| 551* | Registered nurse (RN) service intensity add-on payment | |
| 561* | Social worker service intensity add-on payment | |
| 650 | Routine home hospice care delivered in a nursing facility | |
| 651 | Routine home hospice care delivered in the home | Services provided in a private home, an intermediate care facility for individuals with intellectual disabilities (ICF/IID) or any other non-nursing-facility setting where a member resides |
| 652 | Continuous home hospice care delivered in the home | |
| 655 | Inpatient respite hospice care | |
| 656 | General inpatient hospice care | |
| 657* | Hospice direct-care physician services | |
| 658 | Continuous home hospice care delivered in a nursing facility | |
| 659** | Room and board<br>• This code represents the room-and-board portion of the hospice per diem for dually eligible members.<br>• In addition, the IHCP pays the hospice provider 95% of the single nursing facility case-mix rate to cover room-and-board costs incurred by the contracted nursing facility.<br>• Providers cannot bill for nursing facility room and board for the date of death or date of discharge from the nursing facility.<br>• Providers must follow the IHCP hospice claim reimbursement requirement process and include the appropriate patient status code when a member is physically discharged or discharged as deceased.<br>• Providers are required to report occurrence code 55 for members discharged as deceased.<br>• Providers must submit room-and-board claims for dually eligible members directly to Gainwell or the MCE. Room-and-board claims do not cross over from Medicare for payment. | Dually eligible nursing facility hospice members only |

### *Dually eligible (Medicare and Medicaid) members*

Individuals eligible for Medicare Part A and Medicaid (dually eligible members) receive hospice services through the Medicare program. For dually eligible members with Traditional Medicaid or PathWays coverage, the IHCP does reimburse certain services not covered under the Medicare hospice benefit, such as copays for respite care and deductibles for medications. The IHCP does not require dually eligible hospice members residing in private homes to enroll in the Medicaid hospice benefit because Medicare is paying for the hospice services.

Providers are required to notify the IHCP or the MCE when a dually eligible member residing in a nursing facility elects, revokes, is discharged or changes hospice providers under both the Medicaid and Medicare hospice programs. Members receiving hospice services in a nursing facility are required to submit prior authorization for hospice services and also must be determined to meet nursing facility level of care (NF LOC) for the dates the hospice is requesting reimbursement for nursing facility room and board under the IHCP hospice benefit.

### *Hospice care delivered in a nursing facility – room-and-board billing*

The IHCP reimburses the hospice provider at the routine and continuous home care rate for each day the member is in a nursing facility. Residents in an IHCP-certified nursing facility also require an additional room-and-board per diem, which is paid directly to the hospice provider. When an IHCP member is admitted to a nursing facility for hospice services, in addition to the routine or continuous care hospice reimbursement amount, the IHCP must pay the hospice provider a room-and-board payment that is equivalent to 95% of the nursing facility's daily rate for those dates of service on which the member was a resident. This additional payment applies to both FFS claims as well as managed care claims.

The hospice provider must use one of the revenue codes listed in Table 4.

*Table 4 – Revenue codes for hospice care delivered in a nursing facility*

| Member | Revenue code billed | Purpose | Special rules |
|---|---|---|---|
| Medicaid-only | 650 | Routine home hospice care delivered in a nursing facility | Hospice provider must include the name and IHCP Provider ID of the nursing facility on the *Medicaid Hospice Election* form. **Failure to provide this information can result in issues with claim payment** |
| | 658 | Continuous home hospice care delivered in a nursing facility | |
| Dually eligible (Medicare and Medicaid) | 659 | Room and board | |

Hospice room-and-board services are never covered by Medicare (known as Medicare-excluded services) and are submitted on the IHCP-required claim type for that service. For hospice, providers bill using the institutional claim (*UB-04* paper claim or electronic equivalent) and submit directly to the MCE or to Gainwell for processing. Hospice room-and-board charges billed to Medicare do not cross over to the Medicaid plan.

More information regarding the FFS IHCP hospice benefit can be found in the *Hospice Services* provider reference module at in.gov/medicaid/providers. For information on the managed care IHCP hospice benefit, see the MCE's provider manual.

## For more information

Questions about FFS PA process requirements should be directed to Acentra Health at 866-725-9991. Questions about FFS billing and reimbursement should be directed to Gainwell Technologies Customer Assistance at 800-457-4584 or your Provider Relations consultant. Questions about managed care PA, billing and reimbursement should be directed to the MCE with which the member is enrolled.

## QUESTIONS?

If you have questions about this publication, please contact Customer Assistance at 800-457-4584.

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