

# IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS    BT202672    MAY 12, 2026

## **IHCP corrects processing for recovery room outpatient claims when Medicare is primary payer**

Effective immediately, the Indiana Health Coverage Programs (IHCP) is enforcing claim-processing edits for revenue code 710 – *Recovery Room* when billed on outpatient claims for dual eligible members (Medicaid and Medicare) with Medicare as the primary payer.



Outpatient claims billed with revenue code 710 will now deny when the member is covered by Medicare Part B or Medicare Part D and Medicare is the primary payer. These claims will deny under explanation of benefits (EOB) code 2502 – *This member is covered by Medicare Part B or Medicare Part D; therefore, you must first file claims with Medicare. If already submitted to Medicare, please submit your EOMB.*

The IHCP reviewed claims as part of a quality oversight process and identified outpatient claims that paid in error when Medicare was the primary payer. This update aligns claim processing with Medicare primary payer requirements and IHCP policy to prevent improper payments.

The fee-for-service (FFS) claim-processing system has been corrected. The IHCP will recoup impacted outpatient claims billed with revenue code 710 for dates of service (DOS) beginning **July 1, 2024**, through **March 31, 2026**, where Medicare was the primary payer and claims paid in error. Providers identified through impact analysis will receive appropriate adjustment and remittance advice (RA) details.

No provider action is required to initiate recoupments; adjustments will be processed systematically.

Providers should see adjusted or reprocessed claims on RAs beginning June 17, 2026, with internal control numbers (ICNs)/Claim IDs that begin with 52 (mass replacements non-check-related) or 80 (reprocessed denied claims).

When submitting future recovery room outpatient claims, providers should take the following actions:

- Review outpatient billing practices for revenue code 710
- Verify Medicare coverage prior to submitting claims to the IHCP
- Do not bill the IHCP as primary payer for services covered by Medicare Part B or Part D

### **For more information**

Questions about FFS billing and reimbursement should be directed to Gainwell Technologies Customer Assistance at 800-457-4584 or your [Provider Relations consultant](#).

Individual managed care entities (MCEs) establish and publish billing and reimbursement criteria within the managed care delivery system. Questions about managed care billing 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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