



Iowa Department of Human Services

Terry E. Branstad
Governor

Kim Reynolds
Lt. Governor

Charles M. Palmer
Director

Policy Clarification #000104

May 20, 2016

MCO CEO Name

MCO

Address Line 1

Address Line 2

Des Moines, Iowa XX

Dear Ms./ Mr.:

This letter is a formal notification of the state's expectations related to the operations and implementation of Iowa Medicaid under the managed care program. This purpose of this letter is to do following:

- ☒ Provide formal guidance
- ☐ Request for information

Content

This letter is intended to provide clarification as to how billing for inpatient hospitalization and psychiatric medical institutions for children (PMIC).

Billing for Hospital Services

The IME issued Informational Letter 1652-MC on March 30, 2016 clarifying the process for billing for inpatient Hospital Services.

- Acute inpatient admissions for hospital services prior to April 1, 2016, with a discharge after April 1, 2016, will be the responsibility of the IME up to the date of discharge or a maximum of 60 days, whichever is shorter.
- Acute inpatient admissions for hospital services occurring on or before March 31, 2016, that exceed 60 days will be split billed with the initial span submitted to the IME and the remaining days submitted to the applicable MCO. Days 1 through 60 are the responsibility of the IME and any time period beyond 60 days are the responsibility of the MCO. The IME responsibility extends to claims where the IME is secondary and crossover claims from Medicare and/or Medicare HMOs.
- Acute inpatient admissions for hospital services on or after April 1, 2016, are the responsibility of the MCO.
- Outpatient observation admission prior to April 1, 2016 with a discharge after April 1, 2016, will be the responsibility of the IME.

Billing for PMIC services

The IME issued Informational Letters 1606-MC and 1655-MC clarifying the process for billing for PMIC services.

- PMIC admissions for PMIC services prior to April 1, 2016, with a discharge after April 1, 2016, will be split billed with the initial span for dates of service on or before March 31, 2016 submitted to the IME and the remaining days on or after April 1, 2016 submitted to the applicable MCO.
- MCOs are responsible for PMIC admissions and services occurring on dates of service on or after April 1, 2016.

Please sign and return the attached receipt and attestation of understanding by May 24, 2016

Sincerely,

Elizabeth Matney

Attestation:

I hereby attest to understanding this communication including all requirements and due dates.

Name_____

Date_____