ARTICLE 13. BENEFITS AND MEDICAL POLICY


405 IAC 13-1-1 Intent and purpose
Authority: IC 12-17.6-2-11
Affected: IC 12-17.6-4

Sec. 1. (a) Under IC 12-17.6, Title XXI of the federal Social Security Act, the office of the children's health insurance program hereby adopts and promulgates this article to:
(1) interpret and implement the provisions of IC 12-17.6-4;
(2) ensure the efficient, economical, and medically reasonable operations of a children's health insurance program (referred to as CHIP) in Indiana; and
(3) safeguard against overutilization, fraud, abuse, and utilization and provision of services and supplies that are not medically reasonable or medically necessary and are not covered by the CHIP benefits package.

(b) The purposes for this article are accomplished in this article by using, to the extent possible, the same coverage criteria as that used by the Medicaid managed care program, for those services included in the CHIP benefit package, except as otherwise set forth in this article. (Office of the Secretary of Family and Social Services; 405 IAC 13-1-1; filed May 3, 2000, 2:02 p.m.: 23 IR 2234; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-1-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-1-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.

Rule 2. CHIP; Coverage; Use of Medicaid Rules

405 IAC 13-2-1 Covered services
Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. (a) The following services will be covered by CHIP using the same coverage criteria, limitations, and procedures, including prior authorization, as Medicaid under rules adopted by the secretary at 405 IAC 5 unless a service is listed as noncovered in 407 IAC 3-13 [405 IAC 13-12]:
(1) Physician services, except that office visits shall be reimbursed in accordance with 407 IAC 3-5-1 [405 IAC 13-4-1].
(2) Inpatient hospital, except that inpatient rehabilitation services are limited to fifty (50) days per calendar year.
(3) Outpatient hospital.
(4) Laboratory and radiology.
(5) Certified nurse practitioner.
(6) Family planning services and supplies.
(7) Certified nurse-midwife.
(8) Vision.
(9) Home health and clinic services.
(10) Dental.
(11) Hospice.
(12) Diabetes self-management training.
(13) Food supplements, nutritional supplements, and infant formulas.
(14) Restricted utilization.
(15) Consultations and second opinions.
(16) Anesthesia.

(b) The following services will be covered by CHIP using the coverage criteria, limitations, and procedures described in 407 IAC 3-4 [405 IAC 13-3] through 407 IAC 3-12 [405 IAC 13-11]:

Indiana Administrative Code
(1) Early intervention services.
(2) Evaluation and management services.
(3) Medical supplies and equipment.
(4) Mental health and substance abuse services.
(5) Therapy services.
(6) Transportation.
(7) Pharmacy services.
(8) Podiatry services.
(9) Chiropractic services.


405 IAC 13-2-2 Prior authorization; administrative review and appeals
Authority:   IC 12-17.6-2-11
Affected:  IC 12-17.6

Sec. 2. (a) The procedures and requirements set forth in 405 IAC 5-3 and 405 IAC 5-7 for Medicaid prior authorization, administrative review, and appeals shall apply to the following:
(1) Services rendered to CHIP primary care case management members.
(2) Services rendered to CHIP risk-based managed care members if the service is carved out of a CHIP risk-based MCO contract.
(b) Except as provided in subsection (a) or as otherwise set forth in this article, the prior authorization procedures used by the Medicaid risk-based managed care program shall apply to services rendered to a CHIP risk-based managed care member.
(1) Services furnished by a CHIP MCO must be sufficient in amount, duration, and scope to reasonably achieve the purpose for which the services are furnished.
(2) CHIP MCOs shall publish their prior authorization procedures. The initial publication of prior authorization procedures and any updates to prior authorization procedures shall be made effective not earlier than forty-five (45) days after the date of publication. For purposes of this section, “publication” means, at minimum, making the prior authorization procedures available by posting the prior authorization procedures on the CHIP MCO's public website.
(3) A CHIP MCO's prior authorization procedures shall include all information necessary for a provider to submit a prior authorization request.
(4) A provider that:
   (A) has an agreement with the office; and
   (B) renders services to a CHIP MCO member;
must follow the procedures published under this subsection whether that provider has a contract with the CHIP MCO or not.
(5) Decisions by CHIP MCOs regarding prior authorization shall be made as expeditiously as possible considering the circumstances of each request. If no decision is made within seven (7) calendar days of receipt of all documentation required, authorization is deemed to be granted.

405 IAC 13-2-3 Out-of-state services

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 3. Those services otherwise covered in this article are covered when provided out-of-state, subject to the same requirements applicable to out-of-state services provided under the Medicaid program. (Office of the Secretary of Family and Social Services; 405 IAC 13-2-3; filed May 3, 2000, 2:02 p.m.; 23 IR 2235; readopted filed May 22, 2006, 3:22 p.m.; 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.; 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.; 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-3-3) to the Office of the Secretary of Family and Social Services (405 IAC 13-2-3) by P.L.35-2016, SECTION 53, effective March 21, 2016.

Rule 3. Early Intervention Services

405 IAC 13-3-1 Immunizations; screening; diagnosis

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. Age-appropriate immunizations and periodic screening and diagnosis services shall be covered by CHIP in the same manner and at the same intervals as they are in the Medicaid program. (Office of the Secretary of Family and Social Services; 405 IAC 13-3-1; filed May 3, 2000, 2:02 p.m.; 23 IR 2235; readopted filed May 22, 2006, 3:22 p.m.; 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.; 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.; 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-4-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-3-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.

405 IAC 13-3-2 Treatment

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 2. Treatment found necessary as a result of a diagnosis pursuant to an initial or periodic screening may be provided subject to any prior authorization requirements and coverage limitations set out in this article. If a service is not covered under the state plan, it is not a reimbursable service by CHIP. (Office of the Secretary of Family and Social Services; 405 IAC 13-3-2; filed May 3, 2000, 2:02 p.m.; 23 IR 2235; readopted filed May 22, 2006, 3:22 p.m.; 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.; 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.; 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-4-2) to the Office of the Secretary of Family and Social Services (405 IAC 13-3-2) by P.L.35-2016, SECTION 53, effective March 21, 2016.

Rule 4. Evaluation and Management Services

405 IAC 13-4-1 Limitations

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. Reimbursement is available for office visits limited to a maximum of thirty (30) per recipient per rolling twelve (12) month period without prior authorization and subject to the restrictions applicable to the Medicaid program set forth in 405 IAC 5-9. (Office of the Secretary of Family and Social Services; 405 IAC 13-4-1; filed May 3, 2000, 2:02 p.m.; 23 IR 2236; readopted filed May 22, 2006, 3:22 p.m.; 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.; 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.; 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-5-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-4-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.
Rule 5. Medical Supplies and Equipment

405 IAC 13-5-1 Coverage and limitations

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. (a) Subject to the limitation in subsection (b), durable medical equipment, repairs to durable medical equipment, and medical supplies are covered using the same coverage criteria and prior authorization procedures applicable to the Medicaid program and set forth in 405 IAC 5-19.

(b) Durable medical equipment is subject to a maximum benefit of two thousand dollars ($2,000) per calendar year per member and five thousand dollars ($5,000) per member per lifetime. (Office of the Secretary of Family and Social Services; 405 IAC 13-5-1; filed May 3, 2000, 2:02 p.m.: 23 IR 2236; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-6-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-5-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.

Rule 6. Mental Health and Substance Abuse Services

405 IAC 13-6-1 Reimbursement limitations

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. (a) Reimbursement is available for mental health services subject to the limitations set out in the Medicaid program as well as additional limitations set forth in this rule.

(b) Reimbursement is not available for reservation of beds in psychiatric hospitals. (Office of the Secretary of Family and Social Services; 405 IAC 13-6-1; filed May 3, 2000, 2:02 p.m.: 23 IR 2236; filed Jul 21, 2004, 5:01 p.m.: 27 IR 3987; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; filed Oct 6, 2009, 4:14 p.m.: 20091104-IR-407080932FRA; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-7-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-6-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.

Rule 7. Therapy Services

405 IAC 13-7-1 Reimbursement limitations

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. Reimbursement is available for physical, speech, occupational, and respiratory therapy subject to the limitations set forth in the Medicaid program as well as the limitations set forth in this rule. (Office of the Secretary of Family and Social Services; 405 IAC 13-7-1; filed May 3, 2000, 2:02 p.m.: 23 IR 2236; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-8-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-7-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.

405 IAC 13-7-2 Maximum visits

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 2. Physical, speech, occupational, and respiratory therapy is limited to a maximum of fifty (50) visits per member per
Rule 8. Transportation

405 IAC 13-8-1 Reimbursement limitations
Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. Emergency ambulance transportation is a covered service, subject to the prudent layperson definition of emergency in 407 IAC 1-1-6 [405 IAC 11-1-6]. (Office of the Secretary of Family and Social Services; 405 IAC 13-8-1; filed May 3, 2000, 2:02 p.m.: 23 IR 2236; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-8-2) to the Office of the Secretary of Family and Social Services (405 IAC 13-7-2) by P.L.35-2016, SECTION 53, effective March 21, 2016.

405 IAC 13-8-2 Nonemergency ambulance transportation
Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 2. Nonemergency ambulance transportation between medical facilities is a covered service when ordered by the treating physician. (Office of the Secretary of Family and Social Services; 405 IAC 13-8-2; filed May 3, 2000, 2:02 p.m.: 23 IR 2236; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-9-2) to the Office of the Secretary of Family and Social Services (405 IAC 13-8-2) by P.L.35-2016, SECTION 53, effective March 21, 2016.

405 IAC 13-8-3 Copayment
Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 3. (a) A ten dollar ($10) copayment is required for ambulance transportation.
(b) The copayment shall be paid by the member and collected by the provider. Reimbursement shall be adjusted to reflect the copayment amount for which the member is liable. (Office of the Secretary of Family and Social Services; 405 IAC 13-8-3; 3; filed May 3, 2000, 2:02 p.m.: 23 IR 2237; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-9-3) to the Office of the Secretary of Family and Social Services (405 IAC 13-8-3) by P.L.35-2016, SECTION 53, effective March 21, 2016.

Rule 9. Pharmacy Services

405 IAC 13-9-1 Nonlegend drugs
Authority: IC 12-17.6-2-11
Affected: IC 12-17.6
Sec. 1. (a) A nonlegend drug, with the exception of nonlegend insulin, is covered to the extent such drug is:
(1) included on the Indiana Medicaid nonlegend drug formulary;
(2) included on the Indiana Medicaid preferred drug list; and
(3) not specifically excluded from coverage.
(b) Nonlegend insulin is covered to the extent it is subject to the terms of a rebate agreement between the drug’s manufacturer and the Centers for Medicare and Medicaid Services (CMS). (Office of the Secretary of Family and Social Services; 405 IAC 13-9-1; filed May 3, 2000, 2:02 p.m.: 23 IR 2237; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; filed Jun 1, 2011, 2:28 p.m.: 20110629-IR-407100420FRA; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-10-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-9-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.

405 IAC 13-9-2 Generic drugs
Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 2. Brand name drugs, where generic substitution is possible, are covered in accordance with applicable law.
(1) Brand name drugs are covered if the brand name drug is:
   (A) medically necessary; or
   (B) less costly than the generic.
(2) A brand name drug is medically necessary if the prescriber:
   (A) indicates in the prescriber’s own handwriting "brand medically necessary" on the prescription or drug order; and
   (B) obtains prior authorization by substantiating the medical necessity of the brand name drug as opposed to the less costly generic equivalent. For brand name drugs reimbursable by the office, the prior authorization number assigned to the approved request must be included on the prescription or drug order issued by the prescriber or relayed to the dispensing pharmacist by the prescriber if the prescription is orally transmitted. The office may exempt specific brand name drugs or classes of brand name drugs from the prior authorization requirement.

405 IAC 13-9-3 Copayments
Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 3. (a) A three dollar ($3) copayment is required for generic, compound, and sole source drugs.
(b) A ten dollar ($10) copayment is required for brand name drugs.
(c) The copayment shall be paid by the member and collected by the provider. Reimbursement shall be adjusted to reflect the copayment amount for which the member is liable.
(d) A provider may deny services if the member does not pay the required copayment. (Office of the Secretary of Family and Social Services; 405 IAC 13-9-3; filed May 3, 2000, 2:02 p.m.: 23 IR 2237; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-10-3) to the Office of the Secretary of Family and Social Services (405 IAC 13-9-3) by P.L.35-2016, SECTION 53, effective March 21, 2016.

Rule 10. Podiatry Services
405 IAC 13-10-1 Covered services

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. Reimbursement is available for the following podiatry services when performed within the scope of practice of the podiatry profession as defined by Indiana law, subject to the limitations set forth in the Medicaid program as well as the limitations set forth in this rule:

1. Surgical procedures involving the foot.
2. Laboratory services.
3. X-ray services.

Note: Transferred from the Office of the Secretary of Family and Social Services (407 IAC 3-11-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-10-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.

405 IAC 13-10-2 Noncovered services

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 2. Routine foot care as defined in 405 IAC 3-26-3 [sic.] is not covered. (Office of the Secretary of Family and Social Services; 405 IAC 13-10-2; filed May 3, 2000, 2:02 p.m.: 23 IR 2237; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-11-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-10-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.

Rule 11. Chiropractic Services

405 IAC 13-11-1 Reimbursement

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. Reimbursement is available for chiropractic services subject to the limitations set forth in the Medicaid program as well as the limitations set forth in this rule. (Office of the Secretary of Family and Social Services; 405 IAC 13-11-1; filed May 3, 2000, 2:02 p.m.: 23 IR 2237; readopted filed May 22, 2006, 3:22 p.m.: 29 IR 3424; readopted filed Jun 18, 2012, 11:23 a.m.: 20120718-IR-407120202RFA; readopted filed Apr 9, 2018, 9:12 a.m.: 20180509-IR-405180110RFA) NOTE: Transferred from the Office of the Children's Health Insurance Program (407 IAC 3-12-1) to the Office of the Secretary of Family and Social Services (405 IAC 13-11-1) by P.L.35-2016, SECTION 53, effective March 21, 2016.

405 IAC 13-11-2 Limitations

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 2. (a) Chiropractic services are limited to:
1. five (5) visits; and
2. fourteen (14) procedures;
per rolling twelve (12) month period.

(b) Reimbursement is available for medically necessary additional procedures subject to prior authorization. (Office of the Secretary of Family and Social Services; 405 IAC 13-11-2; filed May 3, 2000, 2:02 p.m.: 23 IR 2237; readopted filed May 22,
Rule 12. Services Not Covered by CHIP

405 IAC 13-12-1 Noncovered services

Authority: IC 12-17.6-2-11
Affected: IC 12-17.6

Sec. 1. The following services are not covered by CHIP:
(1) Services that are not covered by the Medicaid program.
(2) Services provided in a nursing facility.
(3) Services provided in an intermediate care facility for the mentally retarded (ICF/MR).
(4) Private duty nursing.
(5) Case management services for the following:
   (A) Persons with HIV/AIDS.
   (B) Pregnant women.
(6) Nonambulance transportation.
(7) Services provided by Christian Science nurses.
(8) Services provided in Christian Science sanatoriums.
(9) Organ transplants.
(10) Reserved beds in psychiatric hospitals.
(11) Any other service or supply listed in this article as noncovered.

(Note: Transferred from the Office of the Secretary of Family and Social Services (405 IAC 13-12-1) to the Office of the Secretary of Family and Social Services by P.L.35-2016, SECTION 53, effective March 21, 2016.)

*