

# ForwardHealth **UPDATE**

Wisconsin serving you

*Your First Source of ForwardHealth Policy and Program Information*



## **NURSING HOME ACUITY-BASED BILLING**

Effective for dates of service on and after January 1, 2022, ForwardHealth is adjusting the billing and reimbursement guidelines for nursing home per diem claims. ForwardHealth will no longer use a quarterly based retroactive acuity system and will instead use Health Insurance Prospective Payment System (HIPPS) codes to pay individual claims on an acuity-specific basis.

### **New Billing Requirements**

Effective for dates of service on and after January 1, 2022, providers must submit claims using the HIPPS codes in Form Locator 44 (HCPCS/Rate/HIPPS Code) of the UB-04 claim form. This billing requirement is already in place for Medicare.

For non-developmentally disabled (DD) in-house residents, claims must be submitted with the revenue code 0022 and the appropriate HIPPS code for the patient's acuity. For circumstances where a HIPPS code is unable to be determined, the default HIPPS code of ZZZZZ may be used. Claims submitted without a HIPPS code or with an invalid HIPPS code will be denied.

## **AFFECTED PROGRAMS**

BadgerCare Plus, Long-Term Care Partnerships, Medicaid

## **TO**

Hospice Providers, Hospital Providers, Nursing Homes, HMOs and Other Managed Care Programs

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The information provided in this ForwardHealth Update is published in accordance with Wis. Stat. § 49.45(6m)(ag)3p.

Providers should report the billed amount in Form Locator 47 (Total Charges) of the UB-04 claim form on the same claim line that includes revenue code 0022. This is the only claim line necessary for reporting the billed amount.

There is no change to the billing requirements for claims submitted for non-DD bedhold, DD in-house, or DD bedhold.

**“For non-developmentally disabled (DD) in-house residents, claims must be submitted with the revenue code 0022 and the appropriate HIPPS code for the patient’s acuity.”**

For more information on how the HIPPS codes are used, providers should refer to the Centers for Medicare & Medicaid Services [Definition and Uses of Health Insurance Prospective Payment System Codes \(HIPPS Codes\)](#) guide.

## New Reimbursement Guidelines

Effective for dates of service on and after January 1, 2022, the reimbursement rates are changing based on the new HIPPS codes.

For non-DD in-house residents, the daily rate is based on the following allowances:

- Case Mix Neutral Direct Care Nursing
- Case Mix Neutral Direct Care Other
- Support Services
- Property
- Property Tax
- Incentives

The daily rate for non-DD in-house residents is the sum of the listed allowances adjusted for the case mix index of the specific resident. The case mix index paid will depend on the HIPPS code submitted. The nursing case mix index varies based on the third digit of the HIPPS code and the non-therapy ancillary case mix index varies based on the fourth digit of the HIPPS code.

The Wisconsin Medicaid rates are approved for payment to the facility in accordance with the “Methods of Implementation for Nursing Home Payment Rates.” Providers may refer to section 1.71 for circumstances in which rates can be changed. Previously submitted claims impacted by retroactive rate changes will be automatically adjusted by ForwardHealth.

For more information on reimbursement rates and to reference the “Methods of Implementation for Nursing Home Payment Rates,” providers should refer to the [Resources for Skilled Nursing Facilities](#) page of the ForwardHealth Portal.

## RESOURCES

Centers for Medicare & Medicaid Services [Definition and Uses of Health Insurance Prospective Payment System Codes \(HIPPS Codes\)](#) guide

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## Requirements for Hospice Providers

Hospice providers are not required to submit claims using the HIPPS codes.

Hospice organizations should continue to submit claims using the appropriate revenue code and will receive 95 percent of the listed hospice rate. Hospice claims

previously submitted with the revenue code 0192 must be submitted with revenue code 0169 for dates of service on and after January 1, 2022. Per 42 C.F.R. Part 418, hospice organizations may contract with nursing facilities at a rate between 95 and 100 percent of the listed rate.

**“Hospice providers are not required to submit claims using the HIPPS codes.”**

## Documentation Retention

Providers are reminded that they must follow the documentation retention requirements per Wis. Admin. Code § [DHS 106.02\(9\)](#). Providers are required to produce or submit documentation, or both, to ForwardHealth upon request. Per Wis. Stat. § [49.45\(3\)\(f\)](#), providers of services shall maintain records as required by the Wisconsin Department of Health Services for verification of provider claims for reimbursement. The Department of Health Services may audit such records to verify actual provision of services and the appropriateness and accuracy of claims. ForwardHealth may deny or recoup payment for services that fail to meet these requirements. Refusal to produce documentation may result in sanctions including, but not limited to, termination from the Medicaid program.

## Information Regarding Managed Care Organizations

This Update contains fee-for-service policy and applies to services members receive on a fee-for-service basis only. For managed care policy, contact the appropriate managed care organization. Managed care organizations are required to provide at least the same benefits as those provided under fee-for-service arrangements.

**This Update was issued on 07/26/2021 and information contained in this Update was incorporated into the Online Handbook on 01/03/2022.**

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The ForwardHealth Update is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Medicaid Services within the Wisconsin Department of Health Services (DHS). The Wisconsin AIDS Drug Assistance Program and the Wisconsin Well Woman Program are administered by the Division of Public Health within DHS.

For questions, call Provider Services at 800-947-9627 or visit our website at [www.forwardhealth.wi.gov/](http://www.forwardhealth.wi.gov/).