

## Incarceration Benefit Plan Billing Tip

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CHAMPS will reflect the following Benefit Plans and Program Enrollment Type (PET) codes when a beneficiary is incarcerated.

- **Benefit Plans** = INCAR-ESO, INCAR-MA, INCAR-MA-E, MA-HMP-INC
- **PET codes** = INC-JAIL, INC-PRSN, INC-JDET

**Policy:** [Medicaid Provider Manual](#) (MPM) **Chapter:** General Information for Providers, **Section:** 12 - Third Party Liability

Michigan Medicaid does not reimburse for services provided to individuals being held in a detention facility against their will except for those directly related to an inpatient hospital stay (medical/surgical/psychiatric) provided in a non-state-owned facility. Benefit Plan IDs of INCAR-ESO, INCAR-MA, INCAR-MA-E, and MAHMP-INC, if provided in the eligibility response, all indicate that the beneficiary resides in a detention facility.

The Incarceration Benefit Plan may be provided to beneficiaries during times when they are involuntarily residing in a detention center (County Jail, State Prison, Federal Correctional Institution, or Juvenile Detention Facility). The Local County MDHHS office caseworker is responsible for collecting residency information from each client and maintaining, within the BRIDGES system, a correct current address. When the case is coded as the beneficiary residing in a County Jail the PET code will reflect INC-JAIL. There is no longer a provider ID #. If the beneficiary is residing in a State Prison or Federal Correctional Institution the PET code will reflect INC-PRSN. There is no longer a provider ID #.

The purpose of these PET codes is to restrict CHAMPS claim payments to only charges incurred at an off-site Inpatient Hospital while incarcerated. Claims submitted for any outpatient services will be denied with claim adjustment reason code 31 on the remittance advice at the service line level. It is the responsibility of the County Jail, State Prison, or Federal Correctional Institution to work with providers regarding reimbursement of any outpatient services.

### **Additional incarceration tips and instructions for updating PET codes:**

- For Inpatient claims if the PET does **NOT** reflect the correct Incarcerated PET claims can still be submitted for payment.

- For Outpatient claims if the PET shows Incarcerated and should not- then a request needs to be submitted to update the PET for the claim to process.
- If the beneficiary has Medicare primary the correct Incarcerated PET needs to be on file to prevent other insurance denials.
- Providers must submit the claim note of “**incarcerated member**”. If the beneficiary has Medicare, Medicare will not cover incarcerated members.

## For PET code corrections:

**INC-JAIL:** PET code start or end date corrections should be directed to the beneficiary’s local county DHHS office caseworker to have the living arrangement updated.

**INC-PRSN:** PET code start or end dates should be directed to Provider Support by phone at 1-800-292-2550 or email [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). A copy of the beneficiary’s [booking log](#) needs to be uploaded to DMP reflecting the correct incarceration status. The DMP document ID# would need to be provided with the inquiry submitted.

