

Jeanny Phillips, Deputy Administrator

Authorized Signature

Number: DMAP IM-08-035

Issue Date: 03/27/2008

Topic: Medical Benefits

Subject: Provider announcement: DMEPOS Reimbursement Changes

Applies to (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> All DHS employees | <input type="checkbox"/> County Mental Health Directors |
| <input type="checkbox"/> Area Agencies on Aging | <input type="checkbox"/> Health Services |
| <input type="checkbox"/> Children, Adults and Families | <input type="checkbox"/> Seniors and People with Disabilities |
| <input type="checkbox"/> County DD Program Managers | <input checked="" type="checkbox"/> Other (please specify): DHS staff and others identified on the DMAP transmittal lists |

Message: DMAP will mail the following announcement to DMEPOS service providers, physicians and nurse practitioners regarding a 4/1/08 reimbursement change.

If you have any questions about this information, contact:

Contact(s):	Rosanne Harksen, DMAP Policy Analyst		
Phone:	(503) 945-6502		
E-mail:	rosanne.m.harksen@state.or.us		



Oregon

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March 26, 2008

To: DMEPOS providers, Nurse Practitioners
and Physicians

From: Jean Phillips, Deputy Administrator



**RE: April 1, 2008, OHP Durable Medical Equipment,
Prosthetics, Orthotics and Supplies rate adjustments**

Collaboration between DMAP and the DMEPOS provider community produced an alternative rate plan to replace the benefit changes implemented in November 2007.

The resultant adjusted rates will become effective on April 1, 2008. A preview copy of the new fee schedule will be posted online with the electronic version of this letter on the OHP Provider Announcement page: www.oregon.gov/DHS/healthplan/notices_providers/main.shtm.

Major Changes include:

- Medicare-covered codes are priced at 95.5% of 2006 Medicare rates
- Codes not covered by Medicare are priced at 96.2% of the current rates (because the COLA was not implemented in January)
- Ostomy supply codes are priced at 100% of 2006 Medicare rates
- For newer codes (not listed in the Medicare 2006 fee schedule), revised rates are priced against the current rates for these codes

DMAP has committed to DME providers to work collaboratively to explore other areas that may benefit the industry, such as identifying administrative efficiencies requiring prior authorization and analyzing the non-Medicare DME rate structure for equity within the affected codes.

Thanks to all of you who worked diligently to come up with the best solution possible for Oregon Health Plan clients.

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