



Division of Medical Assistance Programs

Information Memorandum Transmittal

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Authorized Signature

Issue Date: 06/20/2011

Topic: Medical Benefits

Subject: Prescribing providers and Pharmacists Provider Announcements: NDC-diabetic supplies billing changes

Applies to:

- All DHS employees
- Area Agencies on Aging
- Children, Adults and Families
- County DD Program Managers
- County Mental Health Directors
- Seniors and People with Disabilities
- Other (please specify): DHS and OHA staff and others identified on the SPD, CAF, AMH and DMAP transmittal lists

Message:

DMAP posted the following announcements to prescribing providers and pharmacists telling them that beginning August 1, 2011 DMAP will change billing requirements for diabetic supplies.

If you have any questions about this information, contact:

Contact(s):	Provider Services		
Phone:	1-800-336-6016	Fax:	503-945-6873
E-mail:	dmap.providerservices @state.or.us		

Attention Pharmacy providers

Diabetic supplies billed on pharmacy claims – August 1, 2011

Beginning August 1, 2011, pharmacies can bill for diabetic supplies. This includes Point of Sale (POS), a pharmacy claim through the Web Portal or the Universal Claim Form (pharmacy paper claim).

Pharmacy providers billing for durable medical equipment supplies through POS will be required to follow Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) prior authorization rules and processes, which can be found at www.oregon.gov/DHS/healthplan/notices_providers/main.shtml.

Diabetic supplies will not be reimbursed at the AAAC rate. Supplies will be reimbursed at a percentage of Medicare's allowable rate.

Further payment rate information will be provided in July. At that time, please refer to OAR 410-121-0155 (10) for information on reimbursement.

What to remember

- Claims that exceed utilization limitations must have prior authorization (PA). PA requests for diabetic supplies should be submitted to the DMAP Medical Unit. Instructions can be found in the DMEPOS Supplemental Information booklet at www.dhs.state.or.us/policy/healthplan/guides/dme/main.html.
- Diabetic supplies billed on any claim form other than the ones listed above (e.g., CMS-1500, EDI claims - all types) will be denied.
- Claims for diabetic supplies must include a valid 11-digit National Drug Code (NDC).
- DMAP does not pay a dispensing fee for diabetic supplies.
- Special featured blood glucose monitors or voice-synthesized monitors must continue to be billed on a medical claim – HCPCS codes E2100 and E2101 (PA is required).
- Copayments are not required for diabetic supplies.
- Long term care or nursing home patients – diabetic supplies will continue to be covered under the nursing home per diem rate.

Claims denied for being over the utilization limit will show an EOB/error message that states: “0634 = Prior Authorization Required-Program limitation exceeded- Please contact the Medical Unit's Prior Authorization Authority at 800-642-8635.”

Affected diabetic supplies

- A4253 – Blood glucose test or reagent strips. Utilization limitations – up to 300 every 3 months.
- A4256 – Normal, high, low calibrator. solution/chips.
- A4258 – Lancing device.
- A4259 – Lancets. Utilization limitations – up to 300 every 3 months.
- E0607 – Home blood glucose monitor.
- S8490 – Insulin syringes. Utilization limitations – up to 500 every 3 months.

Limitations and PA requirements for diabetic supplies are in OAR 410-122-0520 (DMEPOS Rulebook) at www.dhs.state.or.us/policy/healthplan/guides/dme/main.html. The revised rule will be posted in June.



How to submit a PA form for diabetic supplies for over utilization limits

Use the following forms to ensure timely processing of prior authorization (PA) requests:

■ PA form (DHS 3971)

- Complete all required fields, as applicable, on the DHS 3971. DHS will not be able to process a PA if required fields are incomplete.

■ EDMS Coversheet (DHS 3970)

- Use the EDMS Coversheet when faxing the PA form. Use a separate sheet for each PA submitted.
- Mark the “Prior Authorization” box on the DHS 3970, and complete the Provider Number and Client ID fields. You may need to contact the physician in order to obtain the necessary information.

Both forms can be found in the miscellaneous section at: <http://www.oregon.gov/OHA/healthplan/forms/omapforms.shtml#3000>.

If the product being billed only has a UPC number it will need to be converted to NDC. A complete list of allowable NDCs will be posted to the DMEPOS web page located at: <http://www.dhs.state.or.us/policy/healthplan/guides/dme/main.html>

Examples of UPC to NDC (**note this is not always a one to one conversion)

Product Number	Description	Case Size	NDC	UPC
70914	Meter	4	99073-0709-14	6-99073-70914-1
70805	Meter	4	99073-0708-05	6-99073-70805-2
70822	Test Strips 50 ct.	12	99073-0708-22	6-99073-70822-9
010198	Test Strips 50 ct.	Each	53885-0198-50	3-53885-10198-1
020052	Test Strips 100 ct.	Each	53885-0052-10	3-53885-05210-8
98814	Meter	4	57599-8814-01	0-93815-98814-4
99877	Test Strips 100 ct.	12	57599-9877-05	0-93815-99877-8

Questions?

- Billing OHP medical plans: Contact the plan.
- Billing Medicare D: Contact Oregon DHS Medicare Modernization Act at 1-877-585-0007, or see the Web site at www.oregon.gov/DHS/mma/
- Technical billing: Contact Oregon Pharmacy Call Center -1-888-202-2126
- This announcement or the Provider Web Portal: Contact Provider Services Unit 1-800-336-6016, available Monday through Thursday from 8:30 a.m. to 4:30 p.m. and 10 a.m. to 4:30 p.m. on Friday.

Thank you for your support

We appreciate your continued support of the Oregon Health Plan and the services you provide our clients.