



Division of Medical Assistance Programs

Information Memorandum Transmittal

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DMAP Policy and Planning Section

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Authorized Signature

Issue Date: 06/20/2011

Topic: Medical Benefits

Subject: DME Provider Announcement: 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 for DME providers telling them that beginning August 1, 2011 DMAP will change billing requirements for diabetic supplies. Explanation and new billing instructions included.

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 DMEPOS providers

Billing changes for diabetic supplies

Beginning August 1, 2011, the Division of Medical Assistance Programs (DMAP) will change the billing requirements for diabetic supplies. Diabetic supplies include a wide variety of blood glucose monitors and test strips.

What is changing August 1, 2011?

- Diabetic supplies must be billed on a pharmacy claim. This includes Point of Sale (POS), a pharmacy claim through the Web Portal or the Universal Claim Form (pharmacy paper claim). Diabetic supplies billed on any claim form other than the ones listed above (e.g., CMS-1500, EDI claims - all types) will be denied with Edit and EOB message 4801 “no contract for billed procedure.” The exception is special featured blood glucose monitors or voice-synthesized monitors – HCPCS codes E2100 and E2101, which may be billed on other claim forms.
- Claims for diabetic supplies must include a valid 11-digit National Drug Code (NDC).

For instructions on how to bill on:

- The Universal Claim Form, see the Pharmaceutical Services Supplemental Information booklet at www.dhs.state.or.us/policy/healthplan/guides/pharmacy/main.html.
- A pharmacy claim through the Web Portal, go to www.oregon.gov/OHA/healthplan/portal/rx-webclaims.pdf.

This new requirement does not change/affect the following:

- Prior authorization (PA) requests for diabetic supplies above utilization limits should still be submitted to the DMAP Medical Unit.
- Copayments are not required for Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS).
- Long term care or nursing home patients – diabetic supplies will continue to be covered under the nursing home per diem rate.

Instructions on submitting a PA to the DMAP Medical Unit, are found in the DMEPOS Supplemental Information booklet at www.dhs.state.or.us/policy/healthplan/guides/dme/main.html.

Where can I get specific billing instructions?

DMAP will update the DMEPOS and Pharmaceutical Services Supplemental Information booklets, which contain billing instructions, to reflect this change. DMAP will post a provider announcement when the booklets are complete. To ensure you receive the provider announcement, sign up for eSubscribe at www.oregon.gov/DHS/healthplan/notices_providers/main.shtml.



Affected diabetic supplies

The new billing requirements apply to:

- 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 these codes 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.

Payment rates

Procedure codes will be paid at a percentage of the rate listed in the DMAP fee schedule, which represents a percentage of Medicare's allowable payment. The current fee schedule can be found at www.oregon.gov/OHA/healthplan/data_pubs/feeschedule/downloads.shtml.

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

NDC placement on the pharmacy claim

When billing on the Pharmacy claim format, put the NDC number in the Product/Service ID field. Enter the 11-digit National Drug Code (NDC) code for the drug being billed, i.e., 99073-0708-05.

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?

- Contact the client's plan for questions related to OHP medical plans
- Contact the DMAP Provider Services Unit 1-800-336-6016 for:
 - Billing question regarding fee-for-service claims
 - This announcement
 - The Provider Web Portal

The Provider Services Unit is 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.