

TO: Medical Equipment Devices and Supplies (MEDS) ProvidersRE: Updated MEDS Fee Schedule Changes

The purpose of this policy transmittal is to notify Medical Equipment Devices and Supplies (MEDS) providers of several changes being made to the MEDS fee schedule effective March 1, 2015.

MEDS HCPCS Updates

The Department of Social Services is revising its fee schedule, which includes the addition, deletion and description changes for codes on the MEDS fee schedule consistent with Healthcare Common Procedure Coding System (HCPCS) updates. Additions and deletions are necessary to ensure that the MEDS fee schedule remains compliant with the Health Insurance Portability and Accountability Act (HIPAA). These changes apply to all MEDS reimbursed under the HUSKY Health program which includes HUSKY A, HUSKY B, HUSKY C and HUSKY D.

Prior Authorization Required for Existing Codes

The following existing codes will now require prior authorization for purchases and rentals:

- E0561 Humidifier non-heated, used with pap device
- E0562 Humidifier heated used with pap device
- E0565 Compressor, air power source for equipment which is not self-contained ...
- E0630 Patient lift, hydraulic or mechanical, includes any seat, sling, strap(s) or pad(s).
- E0740 Incontinence treatment system, pelvic floor stimulator...
- L1843 knee orthosis, single upright, thigh and calf...customized to fit a specific patient by an individual with expertise.
- L1845 Knee orthosis, double upright, thigh and calf or otherwise customized to fit a specific patient by an individual with expertise.

Pricing Policy Guidelines for Manually Priced Codes

The Department's current reimbursement requirements within each fee schedule pursuant to Section 17b-262-679 of the Regulations of Connecticut State Agencies, Durable Medical Equipment (DME); Section 17b-262-719 of the Regulations of Connecticut State Agencies, Medical and Surgical Supplies (MSS); and Section 17b-262-743 of the Regulations of Connecticut State Agencies, Orthotic and Prosthetic Devices (O & P) states that the Department shall pay at the <u>lowest</u> of:

- The usual and customary charge to the general public,
- The lowest Medicare rate;
- The amount in the applicable fee schedule as published by the Department;
- The lowest price charged or accepted for the same or substantially similar goods or services by the provider from any person or entity (for DME); or
- The amount prior authorized in writing by the Department.

Effective March 1, 2015, the Department will implement pricing policy guidelines within each applicable fee schedule, in which the Department will prior authorize manually priced codes at the lowest of the following amounts:

- List price minus 15%; or
- Actual Acquisition Cost (AAC) plus a percent markup which will vary by procedure code.

These policies are similar to those used by various other State Medicaid programs in the pricing of codes that do not have an established fee amount. A listing of the codes affected by this pricing policy

Department of Social Services Division of Health Services 55 Farmington Avenue Hartford, CT 06105 www.ctdssmap.com can be found by going to <u>www.huskyhealth.com</u>. From this Web page, select "Provider" and then select "Policies, Procedure and Guidelines". Instructions for submitting requests for prior authorization have been updated accordingly.

Policy Guidelines for Patient Lifts Systems

Effective April 1, 2015, the Department has issued new provider procedures and clinical guidelines pertaining to patient lift systems. These guidelines will assist providers with the prior authorization requirements for different type of lift systems and will be available sometime in March 2015. Please guidelines refer to the detailed found at www.huskyhealth.com. From this Web page, select "Providers" and then select "Policies. Procedure Guidelines". Coverage and determinations for patient lift systems will be based upon a review of requested and/or submitted casespecific information and will be determined based on the statutory definition of medical necessity in Section 17b-259b of the Connecticut General Statutes.

Posting Instructions: The MEDS fee schedule is available on the Connecticut Medical Assistance Program Web site at <u>www.ctdssmap.com</u>. From this Web page, go to "Provider" then to "Provider Fee Schedule Download", click on I accept, then scroll down to "MEDS – Durable Medical Equipment" fee schedule or the MEDS- Medical/Surgical Supplies fee schedule or MEDS-Prosthetic/Orthotic fee schedule. You must press and hold the CTRL key then click the CSV link. Continue to hold the CTRL key until a dialogue box appears with the option to open or save the fee schedule. Policy transmittals can be downloaded from the Connecticut Medical Assistance Program Web site at <u>www.ctdssmap.com</u>

Distribution: This policy transmittal is being distributed to holders of the Connecticut Medical Assistance Program Provider Manual by HP Enterprise Services.

<u>Responsible Unit</u>: DSS, Division of Health Services, Ginny Mahoney, Policy Consultant, (860) 424-5145.

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