



## Outpatient Prospective Payment System (OPPS) Implementation Issue Messages - 01/23/06 To Workgroup Members

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APC Project Workgroup Members

Thank you to all who responded to last weeks OPPS issue regarding MDCH's 50 claim line limitation. Your feedback and responses were informational and we appreciate your input. We will be summarizing the responses and posting them to the OPPS page on the MDCH website in the near future.

### **This weeks Issue:**

#### **OPPS and Billable Durable Medical Equipment (DME) in the OPH setting**

**Background:** Currently, MDCH requires DME suppliers to enroll separately (PT85, PT87, etc.) and bill for DME using the HCFA 1500. Current OPH coverage and reimbursement is very limited for DME in the OPH setting and, for supplies and devices, typically paid at a percent of charge when provided in conjunction with Operating Room or Cardiac Catheterization services.

**Issue:** Under Medicare's OPPS - certain DME is billable by the OPH to the Fiscal Intermediary such as implanted DME(pacemakers, or replacement joints), surgical dressings, prefabricated prosthetics & orthotics, and ESRD home supplies for patients electing Method I payment under CMS's guidelines. Reimbursement varies according to the HCPCs/Rev Code combination and is paid from the DMEPOS fee schedule, packaged under another APC, or paid as a separate pass thru item. MDCH is proposing to follow Medicare's OPPS reimbursement and billing guidelines and allow these exempt DME items to be billed on an OPH claim.

### **Questions:**

- 1) Do you currently have an in-house DME supplier enrolled as a Medicaid provider with MDCH ?
- 2) Do you currently bill for any type of DME on your OPH claims?  
If Yes:
  - a) What are the top 10 HCPCs - by cost, by frequency??
  - b) What Revenue Codes do you currently bill them under??
- 3) What types of DME items would you anticipate billing on your OPH claims under the proposed OPPS that you currently do not bill to MDCH?
- 4) Other concerns/questions/information regarding DME billable by Outpatient Hospital under the proposed OPPS.

In order to reduce unwanted e-mails to other workgroup members, please only send your response back to the APC Project e-mail address at [APCProject@michigan.gov](mailto:APCProject@michigan.gov). All issues and a summary of the responses will be posted to the MDCH OPPS website under the following link: [www.michigan.gov/mdch](http://www.michigan.gov/mdch)  
Click on "Providers">>>"Information for Medicaid Providers">>>"Outpatient Prospective Payment System (OPPS) Project".

Thank you in advance for your response.