Durable Medical Equipment, Prosthetics, Orthotics and Supplies

"Working to protect, preserve and promote the health and safety of the people of Michigan by listening, communicating and educating our providers, in order to effectively resolve issues and enable providers to find solutions within our industry. We are committed to establishing customer trust and value by providing a quality experience the first time, every time."

-Provider Relations

Table of Contents

MDHHS Michigan Department of Health & Human Services

Program Overview

- Program Overview
- Provider Types
- Volume Purchase Agreement (J&B)
- Policy Comparison
  - Permanent Policy
  - Temporary COVID-19 Response

MDHHS Michigan Department of Health & Human Services

Program Overview

- The primary objective of the Medicaid Program is to ensure that medically necessary services are made available to those who would not otherwise have the financial resources to purchase them.
- Medicaid covers medically necessary durable medical equipment, prosthetics, orthotics and supplies (DMEPOS) for beneficiaries of all ages. DMEPOS are covered if they are the least costly alternative that meets the beneficiary's medical/functional need and meet the Standards of Coverage stated in the Coverage Conditions and Requirements Section of the Medicaid Provider Manual.

Provider Types

Services provided must be appropriate for the specified provider types according to the CHAMPS Provider Enrollment (PE) online application. The provider types and the services they may provide are as follows:

Provider Types

Orthotist & Prosthetist	Shoe Store	Medical Supplier
Prefabricated, custom-fitted and custom fabricated orthoses and prostheses. Medical Supplies related to orthotics and prosthetics (e.g., stump socks, etc.). Shoes	Shoes, selected shoe inserts and additions	Durable Medical Equipment (including Oxygen). Medical Supplies Prefabricated, and specific custom fitted orthoses (custom-fitting may only include simple or minor intervention). Shoes

Volume Purchase Agreement

- Through the competitive bid process J&B is currently the incontinence supply contractor for the State of Michigan for beneficiaries enrolled in Medicaid FFS and CSHCS.
- Services covered through the contract can be found in Michigan Medicaid Provider Manual, Chapter Medical Supplier, Section 2.18 Incontinent Supplies.

Dual Eligible Medicaid and Medicare Beneficiaries

- Dual eligible beneficiaries are required to obtain the contracted incontinent items (designated with an X) in the table found in the Michigan Medicaid Provider Manual, Chapter Medical Supplier, Section 2.18 Incontinent Supplies.

Beneficiaries Exempt from the MDHHS Volume Purchase Contract

- Based on dual eligibility, specific beneficiaries may be exempt from obtaining services from the MDHHS Volume Purchase Contractor as described below:
  - Beneficiaries dually enrolled in Medicaid and Medicare are not required to obtain Medicare-covered incontinence items from the contractor but may choose to if preferred.
  - Beneficiaries enrolled in an MHP will receive coverage of these products through the medical supplier contracted by the health plan. This medical supplier could be the Contractor if negotiated by the MHP.
  - Beneficiaries enrolled in either a commercial FFS plan or HMO if its coverage includes incontinence supplies are expected to follow the primary payer's rules first. If these products are not covered by the plan, the beneficiary must obtain these items through the MDHHS Volume Purchase Contractor.

- DTMB Contract Connection website

Policy Comparison

- There are multiple DMEPOS policies. It is suggested that providers reference the Michigan Medicaid Provider Manual for detailed policy. Reference the following chapters:
  - Medical Supplier
  - Billing and Reimbursement for Professionals
  - Nursing Facility
- MDHHS will notify providers and stakeholders when temporary COVID-19 Response policies are terminated.

Permanent Policy

- For permanent policy reference section 1.3 Face-To-Face Visit Requirements
- MSA 18-17 – Required Physician to write the order and certify the F2F took place.
- MSA 18-36 – KX modifier indicates that billing policy requirements are met, and documentation is on file and available upon request.
- MSA 20-35 – CMS-5531 allows non-physician practitioners (NPPs) to **order** and **perform** the F2F Encounter for Medicaid Home Health services.
- MSA 20-62 – NPPS may perform, **certify,** and **document** the F2F encounter.

Temporary COVID-19 Response

- MSA 20-35 – Temporary waiver of beneficiary signature for home-delivered DMEPOS items

MDHHS Michigan Department of Health & Human Services

Policy Comparison

Permanent Policy

- Refer to the Medicaid Code and Rate Reference tool for quantity limits, documentation and PA requirements for HCPCS codes.

Temporary COVID-19 Response

- MSA 20-14 - Waived quantity limits, and certain documentation and PA requirements for multiple DMEPOS services. Added coverage and telemedicine recommended.
- MSA 20-25 – Added additional codes, personal protection equipment (PPE) coverage, invoice requirement and claim note for submission of certain codes. Additionally, PA and new documentation will be waived for replacements of DMEPOS items, and 90-day supply is allowed for items listed in MSA 20-14.

MDHHS Michigan Department of Health & Human Services

Policy Comparison

Permanent Policy	Temporary COVID-19 Response
• Refer to the Medicaid Code and Rate Reference tool for quantity limits, documentation and PA requirements for HCPCS codes.	• MSA 20-32 – Waived PA and some documentation requirements for walking boots, power wheelchair batteries; and added coverage of spirometers for beneficiaries diagnosed with cystic fibrosis in the home setting and ordered by a pulmonologist.

MDHHS Michigan Department of Health & Human Services

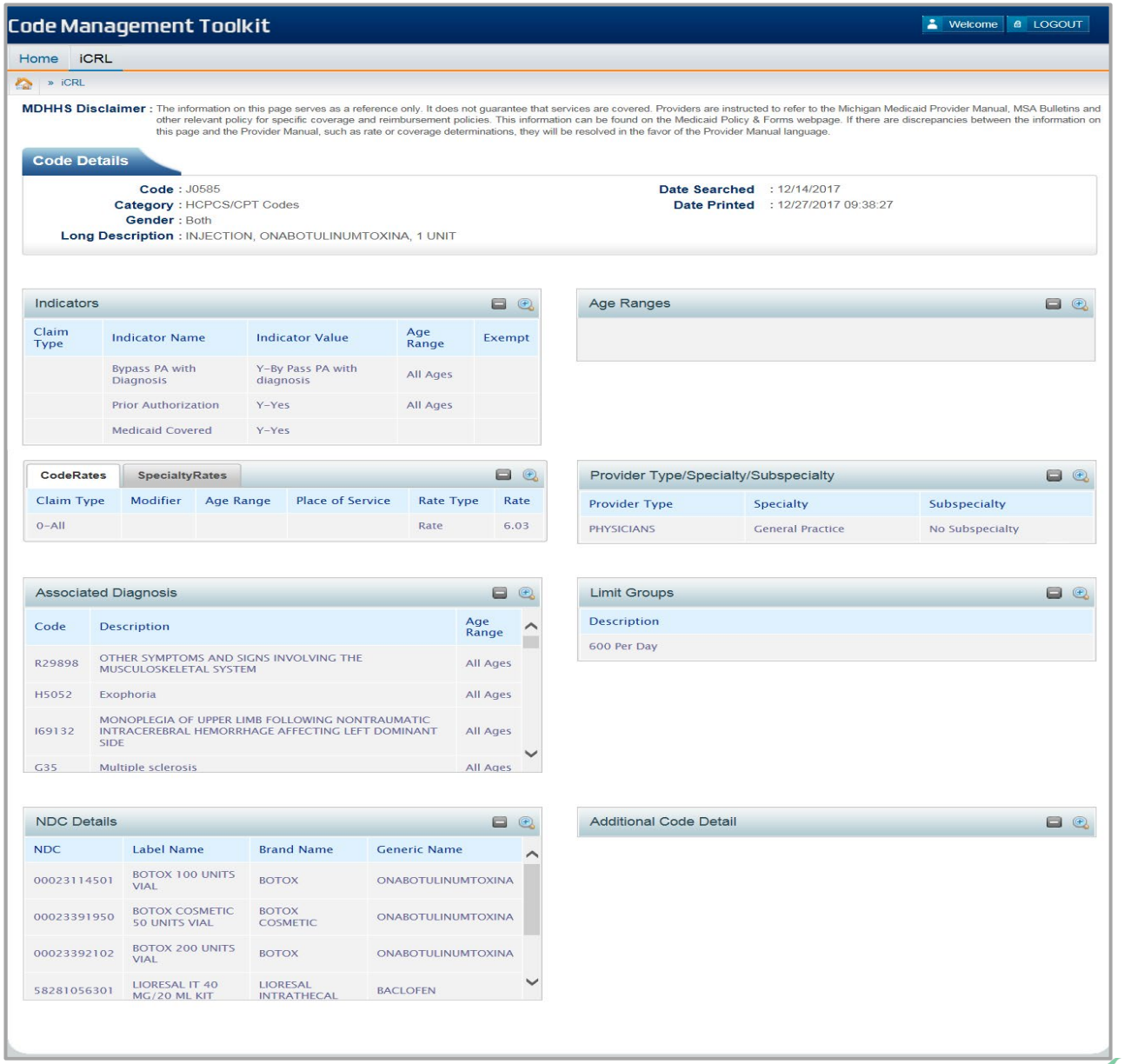
Claim Tools

- Medicaid Code and Rate Reference Tool
- Medically Unlikely Edits (MUE)
- Provider Verification Tool
- Michigan Medicaid Provider Manual

MDHHS Michigan Department of Health & Human Services

Medicaid Code and Rate Reference

- A CHAMPS tool which can be utilized to view HCPCS code details such as Medicaid rates, age restrictions, prior authorization requirements, and more.
- The tool is housed in CHAMPS within the External Links function.
- For help on locating this tool please reference the External Links hyperlink above. For help utilizing this tool reference the below resources:
  - Quick Reference Guide
  - PDF
  - Recording



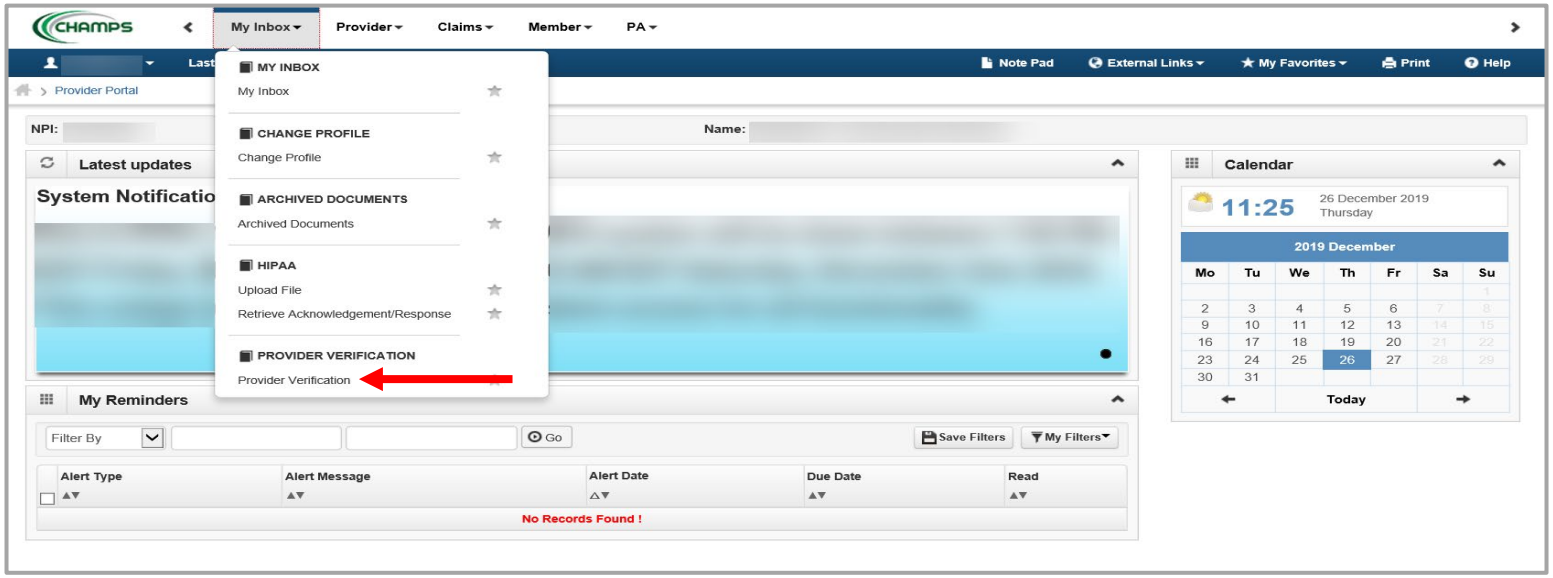
MDHHS Michigan Department of Health & Human Services

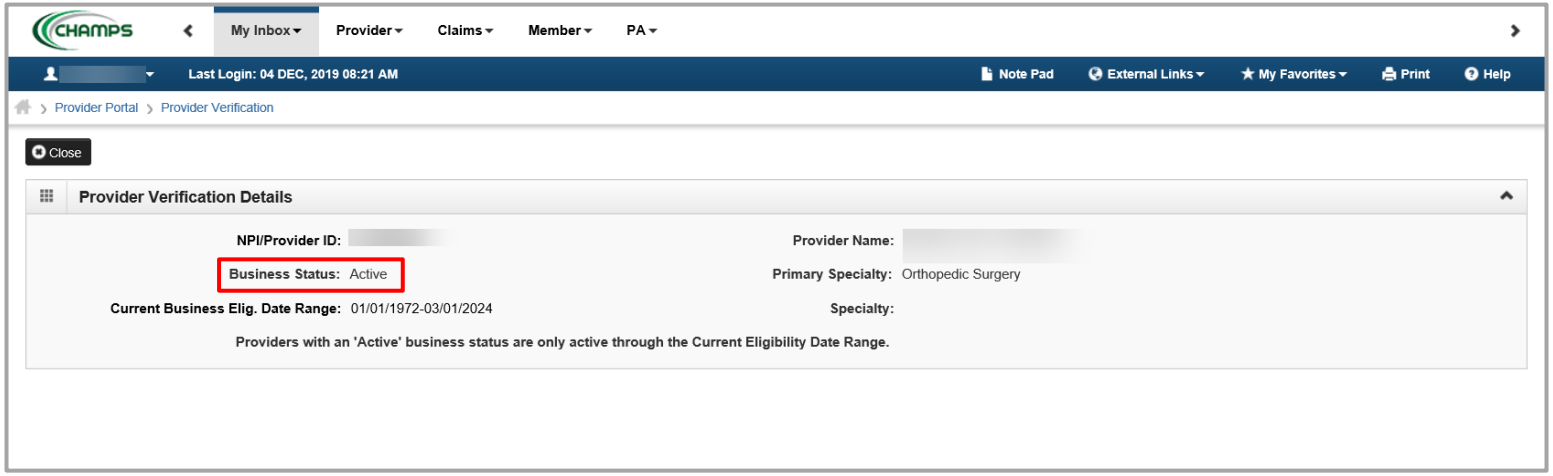
Medically Unlikely Edits (MUE)

- The Centers for Medicare and Medicaid Services (CMS) developed Medically Unlikely Edits (MUEs) to reduce the error rate of paid claims for Part B claims. An MUE for a HCPCS/CPT code is the maximum units of service that a provider would report under most circumstances for a single beneficiary on a single date of service. Not all HCPCS/CPT codes have an MUE.
- CMS Website - Medically Unlikely Edits

Provider Verification Tool

- This tool is used to verify if any provider NPI is actively enrolled in CHAMPS on the day you are checking.
- This tool is housed in CHAMPS under the My Inbox tab from any user profile.
- Providers should always verify if an NPI being reported on a claim is actively enrolled in CHAMPS for the date of service.
- For step-by-step instructions on how to use this tool reference the Provider Verification resource.





MDHHS Michigan Department of Health & Human Services

Michigan Medicaid Provider Manual

- It's important to reference the Michigan Medicaid Provider Manual, Chapter Medical Supplier, when billing for DMEPOS services.
- Section 2 - Coverage Conditions and Requirements, discusses in detail about many of the products often requested including:
  - Definition of product
  - Standards of Coverage
  - Documentation
  - PA Requirements
  - Payment Rules

Standards of Coverage

Lists the criteria and/or conditions that must be met for the service to be covered for a beneficiary.

Documentation

Lists what documents are needed, and what they must include (ex. CMN, time frames, prescriptions, test results, written orders, etc.).

Michigan Medicaid Provider Manual

- These two sections should be used in conjunction with the claim tools provided
  - Medicaid Code and Rate Reference Tool (slide 4)
  - Medically Unlikely Edits (slide 5)

- Michigan Medicaid Provider Manual

PA Requirements

Gives the instances of when PA is required and instances when PA is not required.

Payment Rules

Tells whether it is a capped rental or a purchase item, what's included in the payment or what items can be billed separately. It may also tell what modifiers are to be used, and whether it is to be billed daily or monthly.

MDHHS Michigan Department of Health & Human Services

Billing Rules

- Date(s) of Service
- Place of Service
- Prior Authorization
- Provider Enrollment Requirement
- Billing Agent Association

MDHHS Michigan Department of Health & Human Services

Billing Rules

Date(s) of Service

- For Medical Supplies, the date supplied must be reported as the date of service.
- For the Diaper and Incontinent Supplier Contract (i.e., J&B), the date the order is transmitted by the contractor to the fulfillment house is the date of service.
- For custom-fabricated DME or P&O appliances when there is a loss of eligibility or a change in eligibility status (e.g., from FFS to health plan enrollment or vice versa) between the time the item is ordered and is delivered, the order date rather than the delivery date must be reported as the date of service. For payment, the item must be delivered within 30 days after loss or change in eligibility.
- For all rented DMEPOS, if a beneficiary's death occurs during a specific month in which payment has already been made, the prorating of actual days the items were used is not required.

Billing Rules

Place of Service

- Place of service codes acceptable to report for DMEPOS claims submitted by medical suppliers are as follows:
  - 01 – Pharmacy
  - 04 – Homeless Shelter
  - 12 – Home
  - 13 – Assisted Living Facility
  - 14 – Group Home
  - 16 – Temporary Lodging
  - 31 – Skilled Nursing Facility
  - 32 – Nursing Facility
  - 33 – Custodial Care Facility
- Nursing Facility Residents:
  - For residents in a skilled nursing facility or a nursing facility, many medical supplies and/or items or DME are considered a part of the facility's per diem rate. For verification of specific procedure codes that may be billed by the medical supplier, refer to the Medicaid Code and Rate Reference tool.

Billing Rules

Prior Authorization (PA)

PA is not necessary for situations of other insurance coverage if all of the following apply:	PA is required for the following:
• The beneficiary is eligible for the other insurance and the primary insurer rules are followed; • The provider is billing a standard Healthcare Common Procedure Coding System (HCPCS) code that Medicaid covers, and the primary insurer makes payment or applies the service to the deductible; and • The service/item complies with Michigan Medicaid standards of coverage as described in this manual.	• PA is required for cases where the other insurance benefit has been exhausted or the service/item is not a covered benefit. • PA is necessary for all other situations, including not otherwise classified (NOC) codes.

- For additional information visit the Prior Authorization Resource.

Billing Rules

Provider Enrollment Requirement

- Any individual or entity that provides services to, or orders, prescribes, refers or certifies eligibility for services for, individuals who are eligible for medical assistance under the State Plan are required to be screened and enrolled in the Michigan Medicaid Program.
- Providers can visit the Provider Enrollment website for tools and resources on how to enroll in the Community Health Automated Medicaid Payments System (CHAMPS).
- Policies supporting provider enrollment requirement:
  - MSA 12-55
  - MSA 13-17
  - MSA 17-48 >> MSA 18-07 >> MSA 18-47
  - MSA 19-20

MDHHS Michigan Department of Health & Human Services

Billing Rules

Billing Agent

- A billing agent that submits Medicaid claims via electronic media must be authorized by MDHHS before submitting claims. Once the billing agent has completed the business-to-business (B2B) testing requirements and is authorized by MDHHS, the provider must associate to the billing agent to allow them to submit their claims.
- For further details reference the Michigan Medicaid Provider Manual, Chapter General Information for Providers, Section 12.9 Billing Agents.
- For instructions on how to associate to a billing agent in CHAMPS, and to authorize them to receive the 835, please reference CHAMPS Associate a New Billing Agent & Authorize the 835/ERA.

Common Claim Denials

CHAMPS will deny claims either entirely at the header level or at the individual service line(s) level.

Only paid status claims can be adjusted or replaced.

Claim Adjustment Reason Codes - Claim Adjustment Reason Codes | X12

Remittance Advice Remark Codes - Remittance Advice Remark Codes | X12

MDHHS Michigan Department of Health & Human Services

CARC	RARC	Why is this denial happening?	Fixing the denial
15	N54	- Authorized NPI on the PA is not the NPI used on the claim. - Date range on the PA is not what is on the claim. - Modifier on the claim doesn't match the PA. - Code doesn't require PA and a PA# is on the claim line.	Verify that the NPI, dates of service, modifiers, and codes on the claim match what is authorized on the PA. Correct and rebill the claim, or if a modification to an existing approved PA is needed the modified PA must be submitted to the Program Review Division.
16	M47	An adjusted claim was submitted for a denied or invalid TCN.	Submit a new claim if the TCN was denied, verify and correct TCN if it was a paid claim.
16	N257	Referring NPI is not enrolled or not active on the date of service.	Verify the enrollment status. Have the Referring provider update their enrollment information if needed and rebill the claim.
16	N382	Member ID on the claim is missing or is not valid.	Verify the Member ID in CHAMPS and rebill the claim.
96	N55	The claims are submitted to MDHHS by a Billing Agent that is not listed on the providers' Provider Enrollment File or if the Billing Agent has been end-dated on the Provider Enrollment File.	Ensure the billing agent is associated to the billing NPI. Billing agent under Step 8: Associate Billing Agent.
206	N286	Referring NPI is not on the claim or is not active or enrolled on the date of service.	Rebill with referring NPI if not on the claim. Verify the enrollment status. Have the Referring provider update their enrollment information if needed and rebill the claim.
208	N265	Ordering NPI is not enrolled or active on the date of service.	Verify the enrollment status. Have the ordering provider update their enrollment information if needed and rebill the claim.

Coronavirus (COVID-19) Resources

Visit Michigan.gov/COVIDVaccine for the most recent information on the vaccine in Michigan

MDHHS Michigan Department of Health & Human Services

Coronavirus (COVID-19) Resources

MDHHS resources to keep providers informed about the Coronavirus (COVID-19) pandemic and the State of Michigan's response.

- Learn about our responses to Coronavirus (COVID-19) and find the latest program guidance. www.michigan.gov/coronavirus >> Resources >> For Health Professionals

- Additional Information:
  - COVID-19 Response Database
  - Telemedicine Database
  - Actions for Caregivers of Older Adults During COVID-19 and supporting Frequently Asked Questions (FAQ) document
  - COVID-19 Response MSA Policy Bulletins

- Questions About COVID-19?
  - Visit our Frequently Asked Questions page
    - Our most commonly answered questions can be found there and are updated often.
  - Call the COVID-19 Hotline at 1-888-535-6136
  - Email COVID19@michigan.gov

Learn about each phase of the MI Safe Start Plan

MDHHS
Michigan Department of Health & Human Services

Provider Resources

MDHHS website:
www.michigan.gov/medicaidproviders

We continue to update our Provider Resources:

- CHAMPS Resources
- Listserv Instructions
- Medicaid Provider Training Sessions
- Provider Alerts
- Provider Enrollment Website

Provider Support:

ProviderSupport@Michigan.gov
1-800-292-2550

Thank you for participating in the Michigan Medicaid Program