

**Michigan Department of Community Health**

**Bulletin Number:** MSA 06-40

**Distribution:** Medical Suppliers

**Issued:** June 1, 2006

**Subject:** Establishing Rates to HCPCS Codes Manually Priced; Rate Revision for Oxygen Concentrator; Revision of Coverage and Payment Rules for Osteogenesis Stimulators; New Coverage of HCPCS Code E2219 - Manual Wheelchair Foam Caster Tire; New Payment Rules for Continuous Passive Motion Device; HCPCS 2006 - July Quarterly Update

**Effective:** July 1, 2006

**Programs Affected:** Medicaid, Children's Special Health Care Services

**Establishing Rates to HCPCS Codes Manually Priced**

Effective for dates of service on and after July 1, 2006, the following rates have been established for the following procedure codes that previously required manual pricing through the Program:

HCPCS Code	Modifier	Fee Rate
A5507		\$19.80
A6010		\$23.22
A6021		\$15.77
A6022		\$15.77
A6023		\$142.73
A6024		\$4.64
A6200		\$7.13
A6201		\$15.60
A6202		\$26.16
A6452		\$4.43
A6453		\$0.46
A6454		\$0.58
A6455		\$1.04
A7501		\$78.77
A7502		\$37.43
A7503		\$8.50
A7504		\$0.50
A7505		\$3.51
A7506		\$0.25
A7507		\$1.87
A7508		\$2.15
A7509		\$1.09
A7524		\$58.05
E0196		\$243.68

HCPCS Code	Modifier	Fee Rate
E0196	RR	\$24.37
E0200		\$68.60
E0200	RR	\$6.86
E0205		\$136.10
E0205	RR	\$13.61
E0236		\$282.10
E0236	RR	\$28.21
E0460	RR	\$415.00
E0482	RR	\$411.24
E0550		\$376.00
E0550	RR	\$37.60
E0560		\$150.75
E0560	RR	\$15.08
E0636		\$790.92
E0636	RR	\$79.09
E0671		\$311.55
E0671	RR	\$31.16
E0672		\$242.10
E0672	RR	\$24.21
E0673		\$201.15
E0673	RR	\$20.12
E0731		\$227.39
E0747		\$2,676.45
E0748		\$2,841.31

HCPCS Code	Modifier	Fee Rate
E0935	RR	\$22.73
E0947		\$400.95
E0947	RR	\$40.10
E0948		\$373.80
E0948	RR	\$37.38
E2000	RR	\$37.17
E2100		\$410.03
E2100	RR	\$41.00
E2201		\$279.83
E2201	RR	\$27.98
E2202		\$355.49
E2202	RR	\$35.55
E2203		\$359.29
E2203	RR	\$35.93
E2204		\$610.05
E2204	RR	\$61.01
E2320		\$769.43
E2320	RR	\$76.94
E2321		\$1,191.83
E2321	RR	\$119.18
E2325		\$1,010.12
E2325	RR	\$101.01
E2327		\$1,959.29
E2327	RR	\$195.93

HCPCS Code	Modifier	Fee Rate
E2328		\$2,716.49
E2328	RR	\$271.65
E2329		\$1,324.60
E2329	RR	\$132.46
E2330		\$2,566.57
E2330	RR	\$256.66
E2340		\$268.77
E2340	RR	\$26.88
E2341		\$403.19

HCPCS Code	Modifier	Fee Rate
E2341	RR	\$40.32
E2342		\$335.99
E2342	RR	\$33.60
E2343		\$537.59
E2343	RR	\$53.76
E2351		\$523.97
E2351	RR	\$52.40
L1690		\$1,263.00
L1847		\$347.28

HCPCS Code	Modifier	Fee Rate
L2035		\$104.60
L3675		\$96.44
L5855		\$185.75
L5925		\$202.10
L5975		\$280.46
L6693		\$1,717.52

### Rate Revision for Oxygen Concentrator

Michigan Department of Community Health (MDCH) recently completed an analysis of the program's coverage and reimbursement rates for oxygen concentrators provided by medical suppliers to beneficiaries residing in nursing facilities. As a result, effective for dates of service on and after July 1, 2006, the monthly rental payment for the oxygen concentrator is as follows:

- \$112.23 for nursing facility residents
- \$160.33 for all other Fee For Service beneficiaries

The monthly rental rate includes all necessary accessories, routine servicing, and repairs and/or replacements to make the equipment functional.

For billing purposes, continue to report the oxygen concentrator HCPCS code (E1390) with the "RR" modifier. MDCH will determine the appropriate rate based on the incoming claim and the beneficiary's eligibility file.

### Revision of Coverage and Payment Rules for Osteogenesis Stimulators

#### Standards of Coverage

A spinal electrical osteogenesis stimulator may be covered when other treatment methods have been ineffective and when one of the following applies:

- There is a failed spinal fusion where a minimum of nine months has elapsed since the last surgery.
- Following multi-level (three or more vertebrae) spinal fusion surgery with or without internal fixation.
- Following spinal fusion surgery where there is a history of a previously failed spinal fusion at the same level or levels.

#### Payment Rules

Osteogenesis Stimulators are considered a **purchase only** item and are inclusive of the following:

- All accessories needed to use the unit (e.g., electrodes, wires, cables, etc.).
- Education on the proper use and care of the equipment.
- Routine servicing and/or replacement to make the unit functional based on manufacturer full warranty.

### **New Coverage of HCPCS Code E2219**

Effective July 1, 2006, HCPCS code E2219 (Manual wheelchair accessory, foam caster tire) will be covered without prior authorization. For complete coverage policy of wheelchair accessories, refer to the Medical Supplier Chapter of the Medicaid Provider Manual.

### **Continuous Passive Motion Device – Payment Rules**

For a passive motion device, the rental must be billed as a daily rate by reporting total number of days used as units. (Up to 21 days of rental may be considered for payment.)

### **HCPCS 2006 – July Quarterly Update**

The HCPCS July 2006 quarterly update will be implemented effective for dates of service on and after July 1, 2006 for the following new procedure codes:

- K0734 – Skin Protection Wheelchair Seat Cushion, Adjustable, Width Less Than 22 Inches, Any Depth
- K0735 – Skin Protection Wheelchair Seat Cushion, Adjustable, Width 22 Inches or Greater, Any Depth
- K0736 – Skin Protection and Positioning Wheelchair Seat Cushion, Adjustable, Width Less Than 22 Inches, Any Depth
- K0737 – Skin Protection and Positioning Wheelchair Seat Cushion, Adjustable, Width 22 Inches or Greater, Any Depth

Information regarding the fee screens and coverage parameters of these HCPCS codes will be located in the MDCH Medical Supplier/DME/Prosthetics and Orthotics Database, posted on the MDCH website at [www.michigan.gov/mdch](http://www.michigan.gov/mdch).

### **Manual Maintenance**

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

### **Questions**

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

### **Approved**



Susan Moran, Acting Deputy Director  
Medical Services Administration