



DMEPOS Fall 2014 Newsletter

Oklahoma Health Care Authority sent this bulletin at 08/22/2014 10:14 AM CDT

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Important updates

Provider rate change

In an effort to balance the budget for state fiscal year (SFY) 2014-15, the [Oklahoma Health Care Authority](#) (OHCA) provider rates have been reduced by 7.75 percent for all provider types, with the exception of nursing facilities, emergency transportation and private duty nursing services. This new rate began July 1, 2014.



DME changes

Oxygen

[Oxygen equipment and services](#) will require prior authorization (PA) effective August 1, 2014. Testing requirements, as well as initial and recertification schedules, will be posted to [Policy](#). Since oxygen is classified as a drug by the Federal Drug Administration (FDA), OHCA is taking steps to ensure that physicians who order oxygen and suppliers who provide oxygen are in compliance with basic guidelines regarding oximetry testing, annual retesting and recertification.

OHCA has also determined that PA will not be required for members who are residents of nursing facilities.

For residents of nursing facilities, the [Medical Authorization Unit \(MAU\)](#) has entered PAs in the members' system file with an expiration date of 7/31/2015. This will allow claims to be processed without PA until the system for doing so is put into place. OHCA expects the change to be made prior to that date, so this solution will allow for billing in the interim. If providers have new members or get inadvertent denials for members residing in the nursing homes, you may provide the following information to MAU during the interim period to allow for claim processing:

- Provider # or NPI #
- Member ID #
- Member name
- Nursing facility
- HCPCS codes

For more information, please visit the [Oxygen Provider FAQ](#) located on the [DME page](#) of the OHCA website (www.okhca.org).

Modifier Clarification

Effective August 1, 2014, modifier "RR" is required for [oxygen system rental](#). The

definition of “RR” is rental (use the RR modifier when DME is to be rented). In the future, other appropriate DME items that are continuous rentals will be changed to that modifier as well. Providers will be notified well in advance of those changes. Since OHCA pays for many items on a lease-to-purchase pricing method, the agency currently uses the “LL” modifier in those cases (“LL” is lease/rental; use the LL modifier when DME equipment rental is to be applied against the purchase price).

Blood glucose supplies

OHCA will cover blood glucose (BG) supplies for members who are being treated with insulin to allow testing three times a day (up to 100 per month). Coverage for BG supplies for members who are not treated with insulin will be limited to one time a day (100 per 90-day period). In addition, OHCA will cover BG supplies for members who are diagnosed with gestational diabetes up to four times a day (or up to 150 per month).

If additional provisions are needed, BG supplies are eligible for PA override if medical necessity is provided to the MAU. OHCA has determined that a member who is diagnosed with pre-diabetes will be eligible to obtain the same quantities as a no-insulin dependent member (100 per 90-day period).



Manually priced items

OHCA will price items that do not have a set max fee rate (also known as manually priced items) by examining the Manufacturer’s Suggested Retail Price (MSRP) and paying the lesser of -30 percent OR cost +30 percent. Provider will be required to include a copy of the invoice, MSRP and proof of delivery along with the claim when submitting for payment. This change will go into effect on October 1, 2014. A provider

letter will be sent mid-August with more details. A revised [HCA-50 MSRP](#) Worksheet will be available for providers to complete and attach to their claims as well.

HCPCS codes

Changes to HCPCS codes are as follows:

E0570 LL/Compressor-Driven Nebulizer - OHCA has added a rental option for the nebulizer code that allows for secondary billing for providers, since many payers consider nebulizers as a rental item.

Copay changes

[SoonerCare](#) cost sharing rules have been revised to permit an increase of co-pays to the federal maximum. Effective July 1, 2014, SoonerCare copays are as \$4 per claim for diabetic supplies and \$4 per claim for durable medical equipment and supplies. However, several groups of people are exempted, including certain children, pregnant women, certain American Indians and Alaskan Natives, certain individuals residing in an institution, individuals receiving hospice care and individuals in the breast and cervical cancer (BCC) treatment program (Oklahoma Cares).

In addition, as of January 1, 2014, co-pays for prescriptions, physician, and outpatient visits for the [Insure Oklahoma Individual Plan](#) (IO IP) were changed. Most co-pays are now \$4, although some prescriptions and durable medical equipment (DME) are \$8. Emergency room co-pay remains the same (at \$30) and is waived if the member is admitted. Current co-pays are as follows:

Service	Co-pay Amount
Diabetic supplies	\$4 copay per claim
Durable medical equipment and supplies	\$8 co-pay for DME equipment (e.g., hospital beds, wheelchairs and walkers); \$4 co-pay for durable, non-durable supplies (e.g., tubing, bandages and masks)

For dates of service on or after January 1, 2014, IO IP members are responsible for paying all individual co-pay amounts these services. Please review the remittance advice for total member co-pay amounts due. These changes will not affect claims for dates of service rendered prior to January 1, 2014.

A complete list of applicable IO IP co-pays can be found on the [Global Messages](#) page (Insure Oklahoma Copays, 7/15/2014) of the OHCA website. If you have questions, please contact the Insure Oklahoma helpline at 888-365-3742.



Attention - claims issue notice

Many claims are denied for reason code 0726 - Referring Physician Required. This denial indicates that the ordering/referring physician is not included on the claim. Please refer to Provider Letter 2013-44 (Ordering-Referring Provider Now Required on Some Claims) on the [OHCA public website](#) for more details.



Top 3 PA errors

1. **Incomplete or incorrect HCA-12A.** Misinformation may include date of birth or member's name (which must be spelled exactly as our system has it spelled - even if it's incorrect).
2. **Provider did not upload PA documents via the Provider Portal** – documents such as the HCA-12A or a printed screenshot from the Portal.
3. **Provider's online submission doesn't match the information on the HCA-12A.**

Be sure to check these three items off your list when



submitting PA requests!

Helpful resources:

[Quick Sheet - HCA-12A/HCA-13A Instructions](#)

[HCA-12A Detailed Instructions](#)



Insure Oklahoma receives extension



OHCA got very exciting news that [Insure Oklahoma](#) (IO) has received another one-year extension from the federal government and will be operational through December 31, 2015 and hopefully beyond. OHCA will continue to promote IO as an effective

solution to the health care needs of thousands of low-income Oklahomans. OHCA looks forward to working with Oklahoma small businesses, brokers, agents and media outlets to ensure that folks are well informed about program eligibility and benefits, as well as how to sign up for coverage.

No eligibility guidelines, benefits or requirements will change from the current program. As is the case today, the employer-sponsored plan (ESI) remains available for qualified small businesses with fewer than 99 employees whose family income is at or below 200 percent of the Federal Poverty Level (FPL). Eligibility criteria for the individual plan (IP) remain 100 percent of FPL. Existing co-pay requirements remain the same.

For all applications and listing of qualified health plans, please contact your local health insurance agent. For more information or if you don't have a health insurance agent, please call **888-365-3742** or visit www.insureoklahoma.org.



DME provider support

How we're working to help you!

- 1) [Physician Notification Letter](#) Re: Oxygen Prior Authorization – DME providers can print and provide this letter to physicians to help inform and educate the referral base.
- 2) CPT Code 94762 (Continuous Overnight Monitoring) - Increases limits for overnight oximetry tests from one (1) annually to two (2), to support the oxygen requirements.
- 3) DME Advisory Council – OHCA continues to work closely with the DME Advisory Council. The agency requested and considered the council's input throughout the recent budget process.



A reminder about DMEPOS supplier standards

As a SoonerCare DME provider, you committed to comply with Medicare DMEPOS Supplier Standards for DME and/or medical supplies provided to SoonerCare members. As such you agree to

- Be responsible for delivery, instruct SoonerCare members on use of Medicare covered items, and maintain proof of delivery.
- Answer questions, respond to complaints of members, and maintain documentation of such contacts.

[DME Supplier Standards](#) can be read in their entirety on our website.

OHCA is going “green”

OHCA is pleased to announce its new “green” provider notification process. In going “green,” OHCA will offer providers the option of three paperless sources of communication. These options are:

1. **Email Notification.** Provider letters will be sent directly to your email address.
2. **Web Alerts.** A website banner on the [OHCA Provider Portal](#) (secure site) will notify you of newly-posted letters and include links to those letters.
3. **Fax Blasts.** This option is for those providers wishing to opt out of email messages. Communications will be sent to the provider’s fax number.

Please verify or update your provider contact information by logging in to the OHCA secure site and following these instructions:

- Select “update provider file.”
- Verify your information; make corrections or changes as allowed.
- Click the “submit” button.

Questions or comments about this newsletter?

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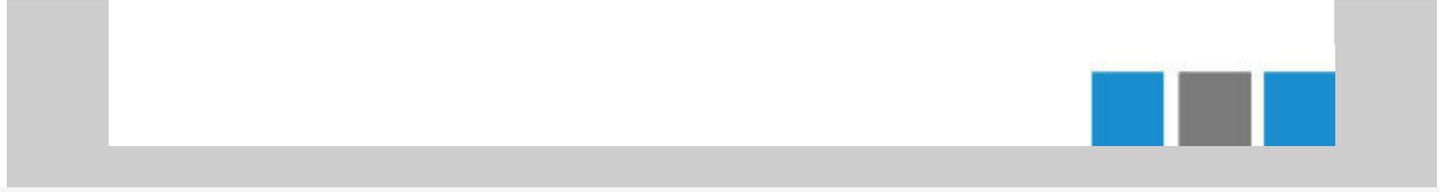
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