

# Wisconsin Medicaid update

## and BadgerCare

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PHC 1911

Wisconsin Medicaid and BadgerCare Information for Providers

To:  
Home Health  
Agencies  
Individual Medical  
Supply Providers  
Medical Equipment  
Vendors  
Nurses in  
Independent  
Practice  
Personal Care  
Agencies  
Pharmacies  
HMOs and Other  
Managed Care  
Programs

## Disposable medical supplies covered in the home care rate

The cost of routine disposable medical supplies (DMS) used by a provider while caring for the recipient is covered in the home care rates. Wisconsin Medicaid has not changed its policy on DMS but is providing this information because of questions frequently raised about these supplies.

### Definition of disposable medical supplies

Disposable medical supplies (DMS) are disposable, consumable, expendable, or nondurable medically necessary supplies which have a very limited life expectancy.

### Disposable medical supplies covered in the home care rate

The cost of *routine* DMS used by the provider while caring for the recipient, including routine DMS mandated by the Occupational Safety and Health Administration (OSHA), is covered in the home care rates. Personal care providers, home health providers, and nurses in independent practice are expected to provide these supplies. Home care providers are expected to include supplies only during the billable hours services are delivered. They are not expected to provide recipients with supplies for use when they are not directly delivering billable home care services.

When Wisconsin Medicaid includes DMS in the home care rate, providers may *not* do any of the following:

- Charge the recipient for the cost of DMS.
- Use supplies *obtained by the recipient and paid for by Wisconsin Medicaid*.
- Submit claims to Wisconsin Medicaid for the cost of the supplies.

Refer to “Disposable medical supplies included in home care rate” table for a list of DMS items currently included in the home care rate according to the Wisconsin Medicaid DMS Index. This information appears on the

Disposable medical supplies included in home care rate	
Code	Description
A4244	Alcohol per pint
A4365	Adhesive remover wipes, any type, per 50 (Ostomy use only)
A4402	Lubricant per ounce
A4455	Adhesive remover or solvent (for tape, cement or other adhesive) per ounce
A4554	Disposable underpads, all sizes, when used for purposes other than incontinence or for bowel and bladder programs
A4927	Gloves, non-sterile, per pair
W6400	Applicators
W6403	Cotton balls per 100

Wisconsin Medicaid DMS Index under the “IN HC RATE?” column. “Yes” indicates the supply is included in the home care rate and, therefore, is not separately reimbursable by Wisconsin Medicaid. Refer to Attachment 1 of this *Wisconsin Medicaid and BadgerCare Update* for the key to the DMS Index with clarified definitions of what is included in the home care rate.

### How to get the Disposable Medical Supplies Index

The DMS Index is available through the following sources:

- The Wisconsin Medicaid Web site at [www.dhfs.state.wi.us/medicaid/](http://www.dhfs.state.wi.us/medicaid/). Refer to the next section for instructions on accessing the DMS Index on the Web site.
- A paper copy of the DMS Index can be ordered by calling Wisconsin Medicaid Provider Services at (800) 947-9627 or (608) 221-9883.

You may also ask a Medicaid-certified DMS provider to allow you to look at his or her copy.

### How to get the Disposable Medical Supplies Index on the Web

The DMS Index on the Wisconsin Medicaid Web site contains the same information as the table in this *Wisconsin Medicaid and BadgerCare Update* about DMS items that are included in the home care rate. To find the DMS Index on the Wisconsin Medicaid Web site:

1. Access the Wisconsin Medicaid Web site at [www.dhfs.state.wi.us/medicaid/](http://www.dhfs.state.wi.us/medicaid/).
2. Choose “Providers” from the main menu of the Medicaid Web site home page.
3. Select “Fee Schedules” under “Reference/Tools.”

4. Scroll down and click on “Disposable Medical Supplies (DMS) Index” to view the DMS Index. For information about proper billing of DMS, click on “Key to Reading the DMS Index.”

### Recipients notified of items covered in home care rate

Attachment 2 provides a copy of a *Wisconsin Medicaid and BadgerCare Recipient Update* that explains the information contained in this *Update* to recipients who currently receive home care services. Please share this information with future recipients.

### Information regarding Medicaid HMOs

This *Update* contains Medicaid fee-for-service policy and applies to providers of services to recipients on fee-for-service Medicaid only. For Medicaid HMO or managed care policy, contact the appropriate managed care organization. Wisconsin Medicaid HMOs are required to provide at least the same benefits as those provided under fee-for-service arrangements.

The DMS Index on the Wisconsin Medicaid Web site contains the same information as the table in this Wisconsin Medicaid and BadgerCare Update about DMS items that are included in the home care rate.

The *Wisconsin Medicaid and BadgerCare Update* is the first source of program policy and billing information for providers.

Although the *Update* refers to Medicaid recipients, all information applies to BadgerCare recipients also.

Wisconsin Medicaid and BadgerCare are administered by the Division of Health Care Financing, Wisconsin Department of Health and Family Services, P.O. Box 309, Madison, WI 53701-0309.

For questions, call Provider Services at (800) 947-9627 or (608) 221-9883 or visit our Web site at [www.dhfs.state.wi.us/medicaid/](http://www.dhfs.state.wi.us/medicaid/).

# ATTACHMENT 1

## Key to Reading the Disposable Medical Supplies Index Maximum Allowable Fee Schedule

(A copy of the "Key to Reading the Disposable Medical Supplies Index Maximum Allowable Fee Schedule" is on the following pages.)

## **DISPOSABLE MEDICAL SUPPLIES INDEX MAXIMUM ALLOWABLE FEE SCHEDULE**

The Disposable Medical Supplies (DMS) Index/Maximum Allowable Fee Schedule contains information necessary for proper billing of DMS. This DMS Index completely replaces the previous DMS Index.

Wisconsin Medicaid utilizes HCFA Common Procedure Coding System (HCPCS) National Level II codes developed by the federal Centers for Medicare and Medicaid Services (CMS), formerly HCFA, as well as Wisconsin Medicaid local codes. When using the procedure codes listed in this index, providers must select the procedure code that most accurately identifies the supply or service ordered and dispensed.

In accordance with the Terms of Reimbursement, Wisconsin Medicaid-certified providers are reimbursed for services provided to eligible recipients at the lesser of the billed amount or the maximum allowable fee for the procedure.

### **Prior Authorization Requirements**

HFS 107.24(2)(b), Wis. Admin. Code, states covered services are limited to supplies contained in the Wisconsin Medicaid DMS Index. Supplies requested which are not contained in the index require prior authorization (PA). To request PA, complete and submit a Prior Authorization Request Form (PA/RF) and a Prior Authorization Durable Medical Equipment Attachment (PA/DMEA) according to instructions given in the Durable Medical Equipment Handbook. Providers are also required to:

- Indicate the code from the DMS Index for a supply item that most closely matches the item to be dispensed in Element 14 of the PA/RF.
- Indicate modifier “SC” in Element 15 of the PA/RF.
- Include a complete description of the item, product information, and the medical necessity for the service or supply.

### **Not Otherwise Classified Supplies**

When there is no similar item listed in the DMS Index, indicate procedure code W6499 — not otherwise classified (NOC). Prior to using the NOC procedure code, determine that a specific HCPCS or local procedure code is not available.

### **More Information**

If you have questions regarding the information attached, please contact the Division of Health Care Financing (DHCF) Community Services Section by writing to:

DMS Policy Analyst  
Division of Health Care Financing  
Community Services Section  
PO Box 309  
Madison WI 53701-0309

**KEY TO READING THE DISPOSABLE MEDICAL SUPPLIES INDEX**  
**MAXIMUM ALLOWABLE FEE SCHEDULE**

- CODE:** Five-digit alphanumeric HCFA Common Procedure Coding System (HCPCS) National Level II codes developed by the federal Centers for Medicare and Medicaid Services (CMS), formerly HCFA, or Wisconsin Medicaid-assigned local procedure codes that identify the disposable medical supplies (DMS).
- MODIFIER:** Modifiers used by Wisconsin Medicaid to indicate additional entries of procedure codes associated to the HCPCS and Wisconsin Medicaid-assigned base codes.
- Y — Indicates modifiers specified must always be used when billing for the procedure code.
  - N — Indicates modifiers are not required when billing for the procedure code but, if listed, may be used if the modifier indicates a more accurate definition of the supply.
- IN NH RATE:**
- YES — Indicates that the item is included in the nursing home daily rate and is not separately reimbursable for Wisconsin Medicaid nursing home residents.
  - NO — Indicates this item is not included in the nursing home daily rate and is separately reimbursable for Wisconsin Medicaid nursing home recipients.
- IN HC RATE:**
- YES — Indicates that the item is included in the home care rate and is not separately reimbursable for Wisconsin Medicaid home care recipients. Home care services include covered services provided by home health agencies, personal care agencies, and nurses in independent practice.
  - NO — Indicates this item is not included in the home care rate and is separately reimbursable for Wisconsin Medicaid home care recipients.
- DESCRIPTION:** Base HCPCS or Wisconsin Medicaid-assigned local procedure code. The description that appears in the first row of each procedure code is the description that will appear on Remittance and Status (R/S) Reports, regardless of the modifier used. Providers will need to use the DMS Index/Maximum Allowable Fee Schedule with the R/S Report to verify Wisconsin Medicaid’s maximum allowable fee payments.
- Descriptions may also indicate quantities of each, package, and per box, which is considered one unit. For example, a box may contain multiple items. If “per box of 100” is indicated, the quantity or unit is equal to one (1).
- MAX FEE:** Maximum allowable fee for each procedure code and modifier.
- MAX QTY/MO:** Quantity allowed per recipient per calendar month (January, February, March, etc.) unless a different time period is indicated.
- CHANGE:** Current DMS Index revisions.
- C — Indicates changes.
  - N — Indicates new information.

## ATTACHMENT 2

# Recipient Update about disposable medical supplies

(A copy of the November 2002 Wisconsin Medicaid and BadgerCare Recipient Update is on the following page.)

# wisconsin Medicaid recipient and BadgerCare update

December 2002  
PHC 1912

## Wisconsin Medicaid and BadgerCare Information for Recipients

To: Recipients of Wisconsin Medicaid home care services

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|---|
| <p><b>English</b> – For help to translate or understand this, please call 1-800-362-3002 (TTY).</p> <p><b>Spanish</b> – Si necesita ayuda para traducir o entender este texto, por favor llame al teléfono 1-800-362-3002 (TTY).</p> <p><b>Russian</b> – Если вам не всё понятно в этом документе, позвоните по телефону 1-800-362-3002 (TTY).</p> <p><b>Hmong</b> – Yog xav tau kev pab txhais cov ntaub ntauv no kom koj totaub, hu rau 1-800-362-3002 (TTY).</p> |
|---|

## Your home care provider is required to supply some disposable medical supplies used for your care

### Your provider is responsible for some disposable medical supplies

Wisconsin Medicaid requires personal care agencies, home health agencies, and nurses in independent practice to provide some disposable medical supplies (DMS) used when providing services. Disposable medical supplies are disposable, consumable, or nondurable medically necessary supplies that have a very limited life expectancy. As a Wisconsin Medicaid recipient, you should not provide these supplies for use by the provider. Your provider cannot charge you for them or expect you to provide them.

Wisconsin Medicaid has not changed its policy on these supplies but is providing this information because of questions frequently raised about these supplies.

### Supplies brought by your home care provider

Your home care provider is required to supply the following disposable medical supplies if necessary:

- Non-sterile gloves.
- Disposable underpads when used for purposes *other than* incontinence or for bowel and bladder programs.
- Alcohol (isopropyl).
- Adhesive remover wipes.

- Adhesive remover or solvent for tape, cement, or other adhesives.
- Lubricant.
- Applicators, such as cotton swabs.
- Cotton balls.

**Your home care provider is only responsible for providing these disposable medical supplies for your use when they are directly providing care for you.**

### For more information

This list is subject to change. If you would like to know more about Medicaid-covered disposable medical supplies or any other Medicaid topic, refer to the Wisconsin Medicaid Web site at [www.dhfs.state.wi.us/medicaid/](http://www.dhfs.state.wi.us/medicaid/). Keep in mind that if you do not have a computer with Internet access, many libraries have access available. You also may call Recipient Services at 1-800-362-3002 or 1-608-221-5720 (TTY available).

In the Wisconsin Medicaid Disposable Medical Supplies Index, which is on the Web site listed above, you can locate information about the supplies that your home care provider is responsible for providing while directly delivering care. The supplies you should expect your provider to bring are noted “Yes” under the “IN HC RATE?” column.