ForwardHealth
Wisconsin serving you

Update
September 2010

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Affected Programs: BadgerCare Plus
To: Audiologists, Blood Banks, Federally Qualified Health Centers, Home Health Agencies, Individual Medical Supply Providers, Medical Equipment Vendors, Nurses in Independent Practice, Nursing Homes, Occupational Therapists, Personal Care Agencies, Pharmacies, Physical Therapists, Rehabilitation Agencies, Speech and Hearing Clinics, Speech-Language Pathologists, Therapy Groups, HMOs and Other Managed Care Programs

Prior Authorization Is Required for Certain Durable Medical Equipment Under the BadgerCare Plus Core Plan and the BadgerCare Plus Basic Plan

This *ForwardHealth Update* corrects policy about prior authorization (PA) requirements for durable medical equipment (DME) under the BadgerCare Plus Core Plan and the BadgerCare Plus Basic Plan. Effective with the implementation of the Core Plan and the Basic Plan, PA is required for certain DME services and procedure codes. Providers are also reminded of the service limitations under the Core Plan and the Basic Plan.

Prior Authorization for the BadgerCare Plus Core Plan

Prior authorization (PA) is required under the BadgerCare Plus Core Plan for certain durable medical equipment (DME) services. Prior authorization policy for the Core Plan is the same as the PA policy for Medicaid and the BadgerCare Plus Standard Plan with the exception of non-preferred diabetic supplies. Non-preferred diabetic supplies are not covered under the Core Plan and PA requests will be returned to providers.

The PA policy is effective for dates of service (DOS) on and after January 1, 2009, and clarifies policy published in the December 2008 *ForwardHealth Update* (2008-211), titled "Durable Medical Equipment Covered Under the BadgerCare Plus Core Plan for Childless Adults."

Prior Authorization for the BadgerCare Plus Basic Plan

Prior authorization is required under the BadgerCare Plus Basic Plan for certain DME services. Prior authorization policy for the Basic Plan is the same as the PA policy for Medicaid and the Standard Plan with the exception of non-preferred diabetic supplies. Non-preferred diabetic supplies are not covered under the Basic Plan and PA requests will be returned to providers.

The PA policy is effective for DOS on and after July 1, 2010, and corrects policy published in the June 2010 *ForwardHealth Update* (2010-48), titled "Durable Medical Equipment Covered Under the BadgerCare Plus Basic Plan," which states that PA is not required for DME under the Basic Plan.

Prior Authorization Policy in the Maximum Allowable Fee Schedule

For information regarding PA policy, providers have several resources available:

- The Portable Document Format (PDF) version of the DME Index, available at *www.forwardhealth.wi.gov/WIPortal/Tab/42/icscontent/provider/maxFee/maxFeeDownloadsPdfVersions.htm.spage*, contains information about the details of PA policy in specific situations. The PDF version of the DME Index was last updated in 2008, so providers are encouraged to check the interactive maximum allowable fee schedule to verify that a procedure code listed in the PDF is a covered service.
- The interactive fee schedule, available at *www.forwardhealth.wi.gov/WIPortal/Home/Provider%20Login/tabid/37/Default.aspx*, contains information about current pricing and coverage. The interactive fee schedule includes a PA indicator, which tells providers if PA is ever required, under any circumstances, for the DME procedure code. Providers may refer to the PDF version of the DME Index for details of PA policy in specific situations.
- The DME area of the Online Handbook includes all current DME policy. *Updates* for DME providers include all changes to DME policy.

Service Limitations for Durable Medical Equipment

Providers are reminded that DME is subject to service limitations under the Core Plan and the Basic Plan. The Core Plan will reimburse up to $2,500.00 per member per enrollment year and the Basic Plan will reimburse up to $500.00 per member per enrollment year. This service limitation does not include reimbursement for diabetic supplies.

Payable claims for DME for Core Plan and Basic Plan members are reimbursed in the order that they are received and processed by ForwardHealth. When a member's service limitation has been exceeded, claims submitted for the member are not reimbursable, regardless of the DOS on the claim. Providers are strongly encouraged to submit claims promptly and to ask the member how much of his or her DME benefit has been used prior to rendering service or dispensing DME.

Billing Members for Charges for Durable Medical Equipment Exceeding the Service Limitation

If BadgerCare Plus covers any portion of the DME charges, providers are required to accept the BadgerCare Plus-allowed reimbursement, which is the lesser of the provider's usual and customary charge or the maximum allowable fee, as payment in full. If BadgerCare Plus pays a portion of the claim and the claim exceeds the member's service limitation, providers can balance bill the member for the difference between the BadgerCarePlus-allowed reimbursement and the dollar amount actually paid by BadgerCare Plus.

Information Regarding Managed Care Organizations

This *Update* contains fee-for-service policy and applies to services members receive on a fee-for-service basis only. For managed care policy, contact the appropriate managed care organization. Managed care organizations are required to provide at least the same benefits as those provided under fee-for-service arrangements.

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

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health Services (DHS). The Wisconsin Well Woman Program is administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at (800) 947-9627 or visit our Web site at *www.forwardhealth.wi.gov/*.

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