

**Affected Programs:** BadgerCare Plus, Medicaid

**To:** Federally Qualified Health Centers, Home Health Agencies, Individual Medical Supply Providers, Medical Equipment Vendors, Nursing Homes, Pharmacies, HMOs and Other Managed Care Programs

## **Additional Power Sources Not Covered and Changes to Coverage for Ventilator Equipment**

This *ForwardHealth Update* provides clarification regarding quantity limits on power wheelchair batteries. This *Update* also describes changes in policy and coverage for ventilators, including adding an additional ventilator code, respiratory assist devices, and accessories.

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Information in this *Update* applies to Wisconsin Medicaid and BadgerCare Plus.

### **Power Wheelchair Batteries Limited to Two**

ForwardHealth limits coverage of batteries for power wheelchairs to a maximum quantity of two batteries. A third battery used on a power wheelchair as an external power source (power center, third battery, portable power, etc.) is not considered medically necessary, and therefore is not covered.

### **Adding Prior Authorization to Selected Procedure Codes**

Effective for dates of service (DOS) on and after September 1, 2011, all ventilators, Respiratory Assist Devices (RADs) and certain other related codes will

require prior authorization (PA). Maximum allowable fees have also changed for certain ventilators and RADs.

Effective September 1, 2011, PA is required for the following procedure codes:

- A4611.
- A4612.
- A4613.
- E0450 (rental).
- E0462.
- E0463.
- E0464.
- E0472 (rental).

Refer to Attachment 1 of this *Update* for procedure code descriptions and a complete list of changes made regarding PA requirements.

ForwardHealth will approve PA requests for the appropriate ventilator or RAD procedure code based on the physician ordered settings. Pulmonary progress notes and respiratory assessments from the physician must also be included and match the physician orders.

Due to new technology, most ventilators and RADs have the capability of multiple settings and are interchangeable. They can be utilized for both invasive and non-invasive use, and since they are portable, they

can be used in any setting ranging from hospital to home use.

### **New Maximum Allowable Fees for Selected Procedure Codes**

Effective September 1, 2011, the maximum allowable fees have changed for the following procedure codes:

- E0450 (rental and purchase).
- E0462.
- E0463 (rental and purchase).
- E0464 (rental and purchase).
- E0472 (rental and purchase).

Refer to Attachment 1 for the new maximum allowable fees.

*Note:* Rental items are not subject to copayment but count toward the annual coverage limit per enrollment year for the BadgerCare Plus Benchmark Plan, the BadgerCare Plus Core Plan, and the BadgerCare Plus Basic Plan. Coverage limits are \$2,500.00 under the Benchmark Plan, \$2,500.00 under the Core Plan, and \$500.00 under the Basic Plan.

### **Additional Ventilator Procedure Code Covered**

Effective for DOS on and after September 1, 2011, ForwardHealth has added an additional ventilator procedure code, E0461 (Volume control ventilator, without pressure support mode, may include pressure control mode, use with non-invasive interface [e.g. mask]).

Refer to Attachment 2 of this *Update* for detailed policy relating to procedure code E0461.

### **Policy Reminders**

#### ***Initial Rental Period***

The daily rental maximum allowable fee is payable monthly to providers until the purchase price maximum allowable fee listed in the Durable Medical Equipment

(DME) Index is reached. Use national Healthcare Common Procedure Coding System (HCPCS) modifier “RR” (Rental) with the equipment procedure code on the claim form.

#### ***Extended Rental Period***

Providers should continue to use previous procedure code modifiers to indicate the extended rental period, which begins when cumulative rental payments total the purchase price of the DME.

During the extended rental period, providers may be reimbursed for up to one half the rental maximum allowable fee to cover costs associated with long-term rental. To receive this reimbursement:

- The equipment must be in the extended rental period.
- The provider must indicate *Current Procedural Terminology* modifier “52” (Reduced services) and HCPCS modifier “RR” with the equipment procedure code on the professional claim and the PA request.

After the purchase price maximum allowable fee of the equipment has been reached, ownership of the equipment remains with the provider. The provider is responsible for long-term support (repairs, replacement, and necessary supplies) over the life of the DME. Providers may continue to receive up to one half the rental maximum allowable fee monthly, for as long as the member continues to use the equipment. Extended rental status carries from one provider to the next provider.

Reimbursement using modifier “52” is intended to cover all provider costs associated with repairs and service including temporary replacement equipment, supplies, and provider-installed accessories including, but not limited to, the following:

- Manifolds.
- Valves.
- Circuits.

- AC/DC chargers.
- Battery packs.
- Internal and additional batteries for back-up use.
- Battery boxes.
- Power centers.
- Power inverters.
- Generators.
- Transport packs.
- Filters; both hepa and bacteria type.
- Adapters.
- Fittings.
- Clamps.
- Backpacks.
- Air/oxygen mixers.
- Power cables.
- Auto adapters.
- Pressure alarms.
- Pressure hoses.

Usual and necessary accessories and supplies remain included even if a current PA for the ventilator or RAD is not on file.

Additional payment is not made for repair, maintenance, or replacement during the rental of this equipment. It is the provider's responsibility to ensure there is an emergency plan in place to address mechanical failure of the equipment.

Disposable medical supplies for the member such as facemasks or tracheostomy suction catheters continue to be covered and reimbursed separately.

### ***Documentation Requirements***

Providers are reminded that they are required to prepare and maintain truthful, accurate, complete, legible, and concise documentation and medical and financial records of the member's continuing use of the equipment, as well as all DME maintenance and service as stated in DHS 106.02(9)(a), Wis. Admin Code.

### **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/](http://www.forwardhealth.wi.gov/).

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# ATTACHMENT 1

## Changes for Respiratory Assist Devices, Ventilators, and Accessories

**(Effective for Dates of Service on and After September 1, 2011)**

The following table summarizes the recent changes made to certain Healthcare Common Procedure Coding System procedure codes for respiratory assist devices, ventilators, and accessories.

<b>Procedure Code</b>	<b>Description</b>	<b>New Prior Authorization Requirement</b>	<b>New Maximum Allowable Fee</b>
A4611	Battery, heavy duty; replacement for patient owned ventilator	X	
A4612	Battery cables; replacement for patient-owned ventilator	X	
A4613	Battery charger; replacement for patient-owned ventilator	X	
E0450 (rental)	Volume control ventilator; without pressure support mode, may include pressure control mode, used with invasive interface (e.g., tracheostomy tube)	X	\$17.00 per day
E0450 (purchase)			\$9,265.00
E0462	Rocking bed with or without side rails	X	\$4,398.15
E0463 (rental)	Pressure support ventilator with volume control mode, may include pressure control mode, used with invasive interface (e.g., tracheostomy tube)		\$17.00 per day
E0463 (purchase)			\$9,265.00
E0464 (rental)	Pressure support ventilator with volume control mode, may include pressure control mode, used with non-invasive interface (e.g., mask)		\$17.00 per day
E0464 (purchase)			\$9,265.00
E0472 (rental)	Respiratory assist device, bi-level pressure capability with back-up rate feature, used with invasive interface, e.g., tracheostomy tube (intermittent assist device with continuous positive airway pressure device)	X	\$11.11 per day
E0472 (purchase)			\$4,721.75

# ATTACHMENT 2

## Coverage for Procedure Code E0461

(Effective for Dates of Service on and After September 1, 2011)

Place of Service Codes			
11	Office	31	Skilled Nursing Facility
12	Home	32	Nursing Facility

Provider Types			
05	Home Health Agencies	53	Individual Medical Supply Providers
24	Pharmacies	75	Federally Qualified Health Centers
25	Medical Equipment Vendors		

Modifier
RR = Rental
52 = Reduced Services

Procedure Code	Allowed Provider Types	Initial Rental Period		Purchase Max Fee	Extended Rental Period		POS <sup>1</sup>	PA <sup>2</sup> Required?	Bilat.	Life Expect.	Nursing Home Reimb.	Copay
		Modifier	Daily Rental Max Fee		Modifier	Daily Rental Max Fee						
E0461	05, 24, 25, 53, 75	RR	\$17.00	\$9,265.00	RR and 52 <sup>3</sup>	\$8.50	11, 12, 31, 32	Yes	No	5 years	Yes	\$0.00

<sup>1</sup> POS = Place of service.

<sup>2</sup> PA = Prior authorization.

<sup>3</sup> 52 = Modifier "52" must be billed with modifier "RR" during the extended rental period.