

# North Carolina Medicaid Special Bulletin



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**February 2016**

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**Attention:**

**Durable Medical Equipment Providers**

**DME Updates:**

- **Select DME Codes on the Date of Home Discharge from Specified Facilities**
- **Manual Pricing Calculation for Durable Medical Equipment Prior Approval Requests**

*Providers are responsible for informing their billing agency of information in this bulletin.  
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## Provision of Select DME Codes on the Date of Home Discharge from Specified Facilities

### Expanded Types of Facilities and Documentation Requirements on the Provision of select DME Codes on a Date of Home Discharge

Effective **February 15, 2016**, Durable Medical Equipment (DME) providers requesting select DME codes that require prior approval, when a beneficiary is being discharged home from a skilled nursing facility, short term physical disability rehabilitation center or hospital, can electronically submit a prescriber’s (physician, physician assistant or nurse practitioner) order, discharge summary or history and physical note and any supporting documentation using the NCTracks provider portal.

DME providers will no longer be required to submit the signed Certificate of Medical Necessity Prior Approval (CMN PA form 372-131) for select DME codes at hospital discharge.

Note: There has been no change in Clinical Policy 5A, *Durable Medical Equipment and Supplies*, criteria. All Clinical Policy 5A criteria still apply with this new process.

For the select DME codes below that do not require prior approval, providers are required to keep the prescriber’s order and required documentation on file.

Code	Description
E2601	GENERAL USE WHEELCHAIR SEAT CUSHION, WIDTH LESS THAN 22 INCHES, ANY DEPTH
E2602	GENERAL USE WHEELCHAIR SEAT CUSHION, WIDTH 22 INCHES OR GREATER, ANY DEPTH
E2603*	SKIN PROTECTION WHEELCHAIR SEAT CUSHION, WIDTH LESS THAN 22 INCHES, ANY DEPTH
E2604*	SKIN PROTECTION WHEELCHAIR SEAT CUSHION, WIDTH 22 INCHES OR GREATER, ANY DEPTH
E2611	GENERAL USE WHEELCHAIR BACK CUSHION, WIDTH LESS THAN 22 INCHES, ANY HEIGHT, INCLUDING ANY TYPE MOUNTIN G HARDWARE
E2612	GENERAL USE WHEELCHAIR BACK CUSHION, WIDTH 22 INCHES OR GREATER, ANY HEIGHT, INCLUDING ANY TYPE MOUNTIN G HARDWARE
E1390*	OXYGEN CONCENTRATOR, CAPABLE OF DELIVERING 85 PERCENT OR GREATER OXYGEN CONCENTRATION AT THE PRESCRIBED RATE; NOTE 1 - MODIFIERS QF & QG USED WITH MODIFIER RR WILL INCREASE REIMBURSEMENT TO 150% OF RATE (Used when prescribed amount of oxygen is greater than 4LPM)
E1392*	PORTABLE OXYGEN CONCENTRATOR
E0431*	PORTABLE GASEOUS OXYGEN SYSTEM, RENTAL; INCLUDES REGULATOR, FLOWMETER, HUMIDIFIER, CANNULA OR MASK AND TUBING

Code	Description
E0434*	PORTABLE LIQUID OXYGEN SYSTEM, RENTAL; INCLUDES PORTABLE CONTAINER, SUPPLY RESERVOIR, HUMIDIFIER, FLOWMETER, REFILL ADAPTER, CONTENTS GAUGE, CANNULA OR MASK & TUBING
E0439*	STATIONARY LIQUID OXYGEN SYSTEM, RENTAL; INCLUDES USE OF RESERVOIR, CONTENTS (PER UNIT), REGULATOR, FLOWMETER, HUMIDIFIER, NEBULIZER, CANNULA OR MASK AND TUBING. 1 UNIT = 10LBS
K0738*	PORTABLE GASEOUS OXYGEN SYSTEM, RENTAL; HOME COMPRESSOR USED TO FILL PORTABLE OXYGEN CYLINDERS; INCLUDES PORTABLE CONTAINERS, REGULATOR, FLOWMETER, HUMIDIFIER, CANNULA OR MASK, AND TUBING
E0433*	PORTABLE LIQUID OXYGEN SYSTEM, RENTAL; HOME LIQUEFIER USED TO FILL PORTABLE LIQUID OXYGEN CONTAINERS; INCLUDES PORTABLE CONTAINERS, INCLUDES REGULATOR, FLOWMETER, HUMIDIFIER, , CANNULA OR MASK & TUBING, WITH OR WITHOUT SUPPLY RESERVOIR AND CONTENTS GAUGE
E0250*	HOSPITAL BED, FIXED HEIGHT, WITH ANY TYPE SIDE RAILS, WITH MATTRESS
E0255*	HOSPITAL BED, VARIABLE HEIGHT, HI-LO, WITH ANY TYPE SIDE RAILS, WITH MATTRESS
E0260*	HOSPITAL BED, SEMI-ELECTRIC (HEAD AND FOOT ADJUSTMENT) WITH ANY TYPE SIDE RAILS, WITH MATTRESS
E0265*	HOSPITAL BED, TOTAL ELECTRIC (HEAD, FOOT AND HEIGHT ADJUSTMENTS), WITH ANY TYPE SIDE RAILS, WITH MATTRESS
E0303*	HOSPITAL BED HEAVY DUTY , EXTRA WIDE FOR WEIGHTS 350 LBS BUT LESS THAN 600 LBS W/ MATTRESS AND ANY TYPE SIDE RAILS
E0304*	HOSPITAL BED, EXTRA HEAVY DUTY FOR WEIGHT CAPACITY GREATER THAN 600 LBS W/ MATTRESS AND ANY TYPE SIDE RAILS
K0001*	STANDARD WHEELCHAIR
K0002*	STANDARD HEMI (LOW SEAT) WHEELCHAIR
K0003*	LIGHTWEIGHT WHEELCHAIR
K0004*	HIGH STRENGTH, LIGHTWEIGHT WHEELCHAIR
K0006*	HEAVY DUTY WHEELCHAIR
K0007*	EXTRA HEAVY DUTY WHEELCHAIR
K0053*	ELEVATING FOOTRESTS, ARTICULATING (TELESCOPING), EACH
K0195*	ELEVATING LEGREST, PAIR (FOR USE WITH CAPPED RENTAL WHEELCHAIR BASE)
E0165	COMMUNE CHAIR, MOBILE OR STATIONARY, WITH DETACHABLE ARMS
E0168	COMMUNE CHAIR, EXTRA WIDE AND/OR HEAVY DUTY, STATIONARY OR MOBILE WITH OR WITHOUT ARMS, ANY TYPE EACH
E0141	WALKER, RIGID, WHEELED, ADJUSTABLE OR FIXED HEIGHT
E0143	WALKER, FOLDING, WHEELED, ADJUSTABLE OR FIXED HEIGHT

\*requires prior approval

## Manual Pricing Calculation for Durable Medical Equipment Prior Approval Requests

Manual pricing calculation for Durable Medical Equipment (DME) Prior Approval requests approved according to the appropriate clinical policy procedures are:

- Providers must submit an invoice or quote (or an estimate if the request is for non-warranty repair) with [DMA 372-131 form](#) (Certificate of Medical Necessity/Prior Approval or CMN/PA) when requesting prior approval for a manually priced item.
- The maximum allowable rate will be the vendor's invoice or quote amount, **net** of all discounts, **plus** 20 percent. When freight is allowed, it will be added to the reimbursement at actual cost. If there are multiple items on the same invoice, the freight component of the maximum allowable rate will be the total freight charge divided by the number of items billed on the invoice.
- If the prior approval request is submitted with an invoice or quote **and** a Manufacturers Suggested Retail Price (MSRP), the maximum allowable rate will be the higher of (1) the vendor's invoice or quote amount, net of all discount, plus 20% or (2) 80% of the MSRP.

There are several exceptions:

- **Wheelchairs and wheelchair accessories** are the **only** medical equipment supplies where the maximum allowable rate may be based on MSRP for prior approval purposes.
- **External insulin pumps** are covered in a separate pricing policy.
- **For procedure code A9999 - Farrell valves**, the designated maximum allowable rate is \$8.48, until a memo is submitted changing the designated rate.

All other DME policies, such as paying lower of billed versus maximum allowable rate still apply. Provider should bill their usual and customary charge.

With the exception of wheelchairs, wheelchair accessories and Farrell valves, claims submitted for services which were authorized prior to Nov. 6, 2015 must include an invoice.

### Additional Resources

For more information about the new specified facilities discharge process on select DME codes, consult **Clinical Coverage Policy 5A**, [Durable Medical Equipment and Supplies](#):

- **Section 5.3.29 Provision of DMES on the Date of Discharge from Specified Facilities**
- **Attachment B**

**DMA Clinical Policy and Programs**  
**DME section, 919-855-4310**

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