

Office of Health Insurance Programs

Division of Long Term Care

MLTC Policy 13.20 REVISED: Provision of DME Supplies through Pharmacy Reconsidered

Date of Issuance: October 23, 2013

The purpose of this policy document is to inform Managed Long Term Care Plans (MLTCP) that *MLTC Policy 13.20: Provision of DME Supplies through Pharmacy*, issued on August 9, 2013, has been revised based on input the Department has received from MLTCPs.

MLTC Policy 13.20 notified MLTCPs that certain Durable Medical Equipment (DME) items, including needles and sterile syringes with needles, were being inappropriately billed as Pharmacy claims resulting in fee-for-service payment of items included in the MLTCP capitated rate. MLTCPs were directed to enter into contracts with pharmacies so that these items, which are the responsibility of the MLTCP, would be available to Plan members. To allow MLTCPs an opportunity to establish contracts with pharmacies, the Medicaid claim editing process was adjusted to allow fee-for-service payment of needles and sterile syringes with needles. This adjustment was initially set to allow payment for the period August 22, 2013 through October 31, 2013. On November 1, 2013, MLTCPs were to have pharmacy contracts in place allowing the edit to again be set to deny fee-for-service payment.

Since issuance of MLTC Policy 13.20, some Plans have notified the Department of difficulties encountered in establishing contracts with pharmacies and in maintaining workable procedures that allow members appropriate access to these DME items. Based on concerns expressed by MLTCPs, the Department has reconsidered this issue and has decided, at this time, not to implement the claim denial edit on November 1, 2013 as proposed. MLTCPs should continue working to establish appropriate contracts.

The Medicaid claiming system will continue to allow fee-for-service payment of needles and sterile syringes with needles for MLTCPs at this time.