

# Billing Tips: Non-Covered Medical Supplies

May 12, 2023

# **Background**

The purpose of this alert is to provide clarity for pharmacy providers and prescribers on reviewing medical supplies, products, and devices for Medi-Cal Rx coverage, as well as to clarify billing steps and options.

The Department of Health Care Services (DHCS) has received concerning reports of either denials or impeded access to non-covered or excluded Medi-Cal Rx medical supply products and devices. The Medi-Cal fee-for-service delivery system covers specific medical supplies available through the medical benefit. DHCS' intent was to ensure the Medi-Cal managed care members have the same access to these products and devices as Medi-Cal fee-for-service beneficiaries when establishing the <a href="scope of benefit">scope of benefit</a> for Medi-Cal Rx. Medical supplies are a partial Medi-Cal Rx benefit, and not all medical supplies are Medi-Cal Rx benefits.

## What Pharmacy Providers and Prescribers Need to Know

The *Medical Supplies* section of the *Medi-Cal Rx Provider Manual* and the <u>Covered Products</u>
<u>Lists</u> identify medical supplies that are eligible for coverage via Medi-Cal Rx. Medical supplies that are **not** found on these lists are **not** eligible for coverage via Medi-Cal Rx; therefore, pharmacy providers, prescribers, and Managed Care Plans (MCPs) should take the appropriate steps when submitting to Medi-Cal Rx non-covered medical supplies.

DHCS – Billing Tips: Non-Covered

**Medical Supplies** 

#### **MCP Obligations**

As a reminder, Medi-Cal MCPs have an obligation to provide access to non-covered or excluded Medi-Cal Rx medical supplies benefits via a medical claim to their members. MCPs should review medical claims appropriately to determine if the medical supply is a Medi-Cal Rx non-covered or excluded product so as not to incorrectly direct providers to bill Medi-Cal Rx. MCPs who have denied medical claims for medical supplies, under the assumption that Medi-Cal Rx is responsible for coverage, should take immediate action to rectify this error.

Refer to <u>Medical Supplies</u>, found under <u>Provider Manuals</u> on the <u>Medi-Cal Providers website</u>, for currently covered medical supplies that are billable as a medical benefit.

## What Pharmacy Providers and Prescribers Need to Do

If after reviewing the *Medical Supplies* section of the <u>Medi-Cal Rx Provider Manual</u> and <u>Covered Products Lists</u> it is determined that:

1. The medical supply product or device is covered and/or found on the list, then pharmacy claims may be submitted for those products to Medi-Cal Rx.

**Note:** Coordination of benefits (COB) claim processing and Medi-Cal Rx coverage restrictions apply.

2. The medical supply product or device is **not** covered and/or **not** found on the list, then claims for these products or devices should be submitted as a medical claim.

#### **Additional Billing Options**

Medical supplies for non-covered Medi-Cal Rx products or devices should be billed to the medical plan as a medical claim. Billing questions regarding medical claims should be directed to the MCP, California Children's Services (CCS), Genetically Handicapped Persons Program (GHPP), Medi-Cal fee-for-service, or the Early Periodic Screening, Diagnostic and Treatment (EPSDT) program.

Additional Coverage	Billing Options
Fee-for-service and EPSDT	Fee-for-service Medi-Cal beneficiaries and beneficiaries eligible to receive benefits through EPSDT should be billed on a medical claim by the pharmacy provider and include the following:  1. CMS-1500 form  a. Appropriate HCPCS code  i. Refer to the Medical Supplies Billing Codes, Units and Quantity Limits for covered HCPCS codes.  ii. Submitted via point-of-sale (POS) or paper showing medical necessity.  b. Refer to the Medi-Cal Provider Manual: Part 2 – Pharmacy.  c. These claims might require a Treatment Authorization Request Form (TAR) form (MC 3200), in addition to the CMS-1500 form.  Note: Refer to the specific coverage criteria in the Medi-Cal Provider Manual for requirements.  2. Invoice or catalog page  a. Must show the product description and price.  b. Invoice should be dated within 12 months of the date of claim submission. Refer to the Medical Supplies: Billing Examples
	page for additional assistance.
CCS	For Medi-Cal beneficiaries with CCS coverage, refer to the <u>California</u> <u>Children's Services web page</u> for general information on how to submit a Service Authorization Request (SAR) or call CCS directly ( <u>County Offices for California Children's Services</u> ).
MCPs	For Medi-Cal beneficiaries enrolled in an MCP, the member should contact their individual MCP for coverage and billing policy as it varies between plans. Refer to the <a href="Medi-Cal Managed Care Health">Medi-Cal Managed Care Health</a> Plan Directory.



For more information on medical supplies that are covered by Medi-Cal Rx, refer to the *Medical Supplies* section in the *Medi-Cal Rx Provider Manual* and the Covered Products Lists.

#### **Contact Information**

You can call the Medi-Cal Rx Customer Service Center (CSC) at 1-800-977-2273, which is available 24 hours a day, 7 days a week, 365 days per year.

For other questions, email Medi-Cal Rx Education & Outreach at <a href="MediCalRxEducationOutreach@magellanhealth.com">MediCalRxEducationOutreach@magellanhealth.com</a>.