South Carolina **Department of Health and Human Services**

Post Office Box 8206 Columbia, South Carolina 29202-8206 www.scdhhs.gov

February 11, 2009

Phys MC Med Clin HH Pharm DME

MEDICAID BULLETIN

TO: Medicaid Providers

SUBJECT: South Carolina Medicaid Diabetic Meters and Strips

Effective March 2, 2009, South Carolina Medicaid is implementing a Diabetic Supplies Preferred Product Program. This program requires diabetic meters and strips to be billed under the Point Of Sale (POS) format. Meters and strips manufactured by Abbott or Johnson & Johnson (Lifescan) are preferred and will pay without Prior Authorization. Products from other companies will require Prior Authorization. The following National Drug Codes (NDC) must be billed for reimbursement and do not require Prior Authorization:

Meters			Strips		
Manufacturer	Product Name	NDC	Manufacturer	Product Name	NDC
ABBOTT	FREESTYLE	99073011004	ABBOTT	FREESTYLE	99073012
ABBOTT	FREESTYLE	99073070804	ABBOTT	FREESTYLE	99073012
ABBOTT	FREESTYLE	99073070847	ABBOTT	FREESTYLE	99073012
ABBOTT	FREESTYLE	99073011003	ABBOTT	FREESTYLE LITE	99073070
ABBOTT	FREESTYLE FLASH	99073017001	ABBOTT	FREESTYLE LITE	99073070
ABBOTT	FREESTYLE FREEDOM	99073011001	ABBOTT	PRECISION Q-I-D	57599740
ABBOTT	FREESTYLE LITE	99073070805	ABBOTT	PRECISION Q-I-D	57599740
ABBOTT	PRECISION XTRA	57599881401	ABBOTT	PRECISION XTRA	57599972
ABBOTT	FREESTYLE FREEDOM LIGHT	99073070914	ABBOTT	PRECISION XTRA	57599987
LIFESCAN	ONE TOUCH ULTRA	53885024701	LIFESCAN	ONE TOUCH BASIC/PROFILE	53885019
LIFESCAN	ONE TOUCH ULTRA MINI	53885020801	LIFESCAN	ONE TOUCH BASIC/PROFILE	53885019
LIFESCAN	ONE TOUCH ULTRA MINI	53885041901	LIFESCAN	ONE TOUCH BASIC/PROFILE	53885037
LIFESCAN	ONE TOUCH ULTRA MINI	53885042001	LIFESCAN	ONE TOUCH FAST TAKE	53885004
LIFESCAN	ONE TOUCH ULTRA MINI	53885042101	LIFESCAN	ONE TOUCH FAST TAKE	53885044
LIFESCAN	ONE TOUCH ULTRA2	53885044801	LIFESCAN	ONE TOUCH SURESTEP	53885035
LIFESCAN	ONE TOUCH ULTRAMINI	53885091101	LIFESCAN	ONE TOUCH SURESTEP	53885005
LIFESCAN	ONE TOUCH ULTRAMINI	53885091201	LIFESCAN	ONE TOUCH ULTRA	53885024
LIFESCAN	ONE TOUCH ULTRASMART	53885052401	LIFESCAN	ONE TOUCH ULTRA	53885024
			LIFESCAN	ONE TOUCH ULTRA	53885099

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Any other NDC's for non-preferred products will be denied and require a Prior Authorization for payment by South Carolina Medicaid. These changes apply to primary Medicaid beneficiaries, dual eligible Medicaid beneficiaries, and those with other third party primary payers. The changes do not apply to Medicaid beneficiaries enrolled with a Managed Care Organization (MCO). Claims for services rendered to beneficiaries enrolled with a MCO should be filed to the MCO.

Both preferred manufacturers will soon be contacting providers and prescribers to supply glucometers (blood glucose monitoring devices, HCPCS code E0607) at no charge that may be used for exchange of non-preferred glucometers. *Providers are instructed not to bill to South Carolina Medicaid for these exchanges.* All claims are subject to audit by the Department of Health and Human Services (DHHS) Program Integrity division.

Letters are being mailed to Durable Medical Equipment (DME) enrolled providers describing the program and the preferred products, as well as to identified prescribers regarding this change.

Effective with dates of service March 2, 2009, all claims for these products must be billed through our pharmacy POS contractor, First Health Services Corporation. Only claims billed through First Health will be considered for payment. Pharmacy providers enrolled as DME providers must submit claims for these agents utilizing their *DME National Provider ID (NPI)*, not the Pharmacy NPI, and may submit claims using the current POS format. DME Providers that are non-pharmacy providers will need to enroll in the webenabled "Claims Submission Tool" described in the next paragraph. Enrolled Pharmacy and DME providers may elect to use the web-enabled tool for claims processing.

A Web-enabled Claims Submission Tool is available for providers who do not have a POS system currently in place. Only DME claims for diabetic meters and strips may be billed through this device. This tool will allow provider staff members to enter, reverse, re-bill, and search claims via the First Health Services state specific web site. To gain access, a designated staff person will be required to complete registration via the User Administration Console application. Once this person has successfully registered, he/she can then setup the remaining staff members and grant them access to the Claims Submission Tool.

Beginning April 1, 2009, the South Carolina DHHS Medicaid program will no longer accept primary and secondary claims submitted via 1500 forms for HCPCS codes A4253 and E0607. These claims should be billed via the POS process.

User Guides for the Web Claims Submission Tool and for the User Administration Console may be located at the http://southcarolina.fhsc.com web site. Additional information will be sent to providers via email communication from First Health Services. Provider Education Representatives from First Health have been contacting providers to obtain email information for future communication. To find additional information regarding the Web Claims Submission Tool or the Diabetic Supplies Program, and to provide your email address, please contact the First Health Services Provider Education Representatives:

Chris Moore at ChrisMoore@FirstHealth.com or

Chris Enlow at ChristopherEnlow@FirstHealth.com.

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Tutorials for using the User Administration Console may be found at http://southcarolina.fhsc.com; follow the link "references." Tutorials for using the Web Claims Submission Tool may be found at the same site under DME Providers, then click on documents and educational materials.

Providers are reminded that a Certificate of Medical Necessity is still required to be on file. Quantity limits are 150 test strips per month for adult beneficiaries and 300 test strips per month for children.

Prior Authorization requests should be telephoned or submitted by fax to the First Health Clinical Call Center by the prescriber or the prescriber's designated office personnel. The toll-free telephone and fax numbers for the Clinical Call Center are 866-247-1181 and 888-603-7696. The First Health Clinical Call Center telephone number is reserved for use by healthcare professionals and should not be furnished directly to beneficiaries. [First Health's S. C. Medicaid *beneficiary call center* telephone number is 800-834-2680; providers may furnish the beneficiary call center number to Medicaid beneficiaries *for Pharmacy Services-related issues only.*] Providers are reminded that questions about *Medicare* eligibility issues and Part D drug plans should be directed to 1-800-MEDICARE.

Questions regarding this bulletin should be directed to the Division of Pharmacy and DME Services at (803) 898-2876.

Emma Forkner Director

EF/mgba

NOTE: To sign up for Electronic Funds Transfer of your Medicaid payment, please go to:

http://www.dhhs.state.sc.us/dhhsnew/hipaa/index.asp and select "Electronic Funds Transfer (EFT)" for instructions