



# INDIANA MEDICAID UPDATE

**August 6, 1998**

**TO: All Indiana Medicaid Durable Medical Equipment (DME, Hospital, and Physician) Providers**

**SUBJECT: Medicaid Coverage and Billing Parameters For Durable Medical Equipment and Supplies**

This information is to clarify Indiana Medicaid coverage and billing parameters for **incontinence supplies, nebulizer with compressor, continuous passive motion (CPM), oximetry, phototherapy, and pneumocardiograms (pnemograms)**. Relevant information for each DME or Supply follows immediately hereafter.

## **Incontinence Supplies**

Effective April 1, 1997, code **Y4011** became the only code allowed for billing of incontinence supplies. This code includes underpads, incontinent briefs and liners, cloth diapers, and disposable diapers. Incontinence supplies are covered for recipients who are three (3) years of age or older and require prior authorization. Please note that incontinence supplies for recipients in long term care facilities are reimbursed through the per diem rate for the facility and may not be billed separately by the facility, through a pharmacy or other provider. Compliance with this program parameter will be closely monitored via audits. A maximum allowable of \$1950.00 annually per recipient for all incontinence supplies can be assigned.

**Nebulizer with Compressor**

**Effective Date:** December 15, 1996

**Coverage Status:** Covered

**Prior Authorization:** Not Required

**Billing Codes &**

**Parameters:** **E0570, Modifier NU** (purchase)  
**E0570, Modifier RR** (rental)

The Medicaid allowable for one unit of **E0570 NU** is \$147.50.

The Medicaid allowable for one unit of **E0570 RR** is \$15.56 Rental of the nebulizer is for a short term basis (short term being defined as 9 months or less).

**Units:** Purchase, 1 unit = 1 nebulizer  
Rental, 1 unit = 1 month.

**CPM (Continuous Passive Motion)**

**Effective Date:** December 1, 1997

**Coverage Status:** Covered

**Prior Authorization:** Not Required

**Billing Codes &**

**Parameters:** **E0935, Modifier RR**  
The Medicaid allowable for one unit of **E 0935 RR** is \$20.10

**Units:** 1 unit of service = 1 day

**Oximetry**

**Effective Date:** January 1, 1998

**Coverage Status:** Covered

**Prior Authorization:** Not Required

**Billing Codes &**

**Parameters:** **94762** is to be used for billing oximetry service **on a daily basis**, up to and including a maximum of 8 (eight) units of service per month. More than 8 (eight) units of service per month should be billed utilizing Z 5020. The Medicaid allowable for one unit of **94762** is \$35.00  
**Z5020** is to be used for billing oximetry service **on a monthly basis** (i.e., more than eight units per month). The Medicaid allowable for one unit of **Z5020** is \$280.00.

**Units:** **94762** - 1 unit of service = 1 day; maximum 8 units of service per month reimbursable.  
**Z5020** - 1 unit of service = 1 month

**Phototherapy (Bilirubin Light)**

**Effective Date:** December 1, 1997

**Coverage Status:** Covered

**Prior Authorization:** Not Required

**Billing Codes &**

**Parameters:** **E0202, Modifier RR**

The Medicaid allowable for one unit of **E0202 RR** is \$90.44. Service reimbursement is limited to 15 units per lifetime of recipient.

**Units:** 1 unit of service = 1 day

**Pneumograms**

**Effective Date:** March 1, 1998

**Coverage Status:** Covered

**Prior Authorization:** Required

**Billing Codes &**

**Parameters:** **94772** (for 2-, 4-, 5-, and 6 channel) NOTE WELL: This code encompasses both **technical** and **professional** components of the service. In billing only the **technical** component, modifier **TC** should be utilized. In billing only the **professional** component, modifier **26** should be used. DME providers billing both professional and technical components of the service should not use the modifiers. The Medicaid allowable for one unit of **94772** (without modifier) is \$300.00. The Medicaid allowable for one unit of **94772 with modifier TC** is \$204.00. The Medicaid allowable for one unit of **94772 with modifier 26** is \$96.00.

**Units:** 1 unit of service = 1 pneumogram of any number of channels, any length of time.