

Office of Health Insurance Programs

Division of Long Term Care

MLTC Policy 13.20: Provision of DME Supplies through Pharmacy

Date of Issuance: August 9, 2013

The Department, in an on-going review of Pharmacy claims, determined that certain Durable Medical Equipment (DME) items were being inappropriately billed as a Pharmacy claim. These billing errors resulted in fee-for-service payment of items that are included in the capitation payment to Managed Long Term Care Plans (MLTCP).

To preclude further inappropriate billing, effective June 20, 2013, the Department expanded an existing pharmacy fee-for-service system claim edit which impacts claiming for certain DME items that are generally obtained through a retail pharmacy. The claim edit was broadened to preclude reimbursement of pharmacy fee-for-service DME items, such as syringes and needles, which have always been the responsibility of the MLTCP.

To avoid interruption of care and ensure that members are able to obtain necessary DME/supplies through their MLTC benefit, Plans must enter into contracts with pharmacies so that these items, which are the responsibility of the Plan, are available to members.

The Department will temporarily disable the edit for the impacted items on August 22, 2013 to allow Plans the necessary time to complete the contracting process. Plans have the 3-month period, August 1, 2013 through October 31, 2013 to finalize contracts with pharmacies and to update their provider networks. Contracts must be in place November 1, 2013. Plans should also have processes in place to ensure that members can obtain syringes and needles until August 22nd when the edit is relaxed.

Please be aware that the Department will be recovering any payments made by Medicaid fee-for-service during this 90 day period (August 1, 2013 – October 31, 2013) for items that are the MLTCP's responsibility.