APSC Compliance

Diabetic Billing, Documentation and Supplies

What Will Be Covered

- Documentation
- Glucose Monitors & Testing Supplies
- Resources and Reminders

Objective

- To assist providers to better understand the Medicare Part B and Durable Medical Equipment (DME) roles in providing Diabetic billing, coverage, documentation and supplies.

Common Billing Errors for Glucose Testing Supplies

Common Errors

- No documentation:
  - On a signed and dated order describing the products dispensed
  - Justifying testing frequency, such as a patient's test log results or other documentation
  - To support why a patient is testing above the policy limits
  - Of the patient's diagnosis and treatment plan

Documentation Requirements

Intake Process

- When a patient brings a prescription to the pharmacy
- Accurate claim submission
- Documentation collection, such as:
  - Physician order
  - Insurance card
  - Assignment of Benefits
- Must assure that it addresses all coverage criteria- ie do not cut corners!

Orders - Who Can Prescribe?

- Treating physician (M.D., D.O., or O.D.)
- Nurse Practitioner (NP), Clinical Nurse Specialist (CNS) if:
  - Treating beneficiary for condition
  - Practicing independently of physician
  - Billing Medicare for covered services using their own provider number
  - Permitted to do so in state where services rendered

Can a Physician's Assistant (P.A.) Prescribe?

- If the following criteria are met a P.A. may prescribe:
  - Meet the Social Security definition of P.A.
  - Treating beneficiary for condition
  - Practice under supervision of M.D. or D.O.
  - Have their own National Provider Identifier (NPI)
  - Permitted to do so in state where services rendered

Verbal/Preliminary Order

- IT IS RECOMMENDED THAT VERBAL/PRELIMINARY ORDERS ONLY BE TAKEN WHEN ABSOLUTELY NECESSARY FOR PATIENT CARE
- Must be obtained prior to dispensing item
- Required elements:
  - Beneficiary's name
  - Description of item
  - Name of physician
  - Date of order
- Document verbal order in files
- *****__Must follow-up with detailed written order__*****

Detailed Written Order

- Required **prior to claim submission**
- In addition to verbal/preliminary order
- Required elements:
  - Beneficiary's name
  - Detailed description of item
  - All options or additional features
  - Start date
  - Signature of ordering physician
  - Date order signed

Additional Elements

- Rental items
  - Length of need
- Drugs
  - Name of drug
  - Concentration
  - Dosage
  - Frequency
  - Route
  - Duration of infusion

Acceptable Formats

- Photocopy
- Fax
- Electronically maintained
  - Supplier's responsibility to ensure security and integrity
- Original "pen and ink" document
- Supplier's responsibility to prove authenticity/validity

When is New Order Required?

- New detailed written order required when:
  - Change in order
  - Required by policy
  - Replacement of item
  - Change in suppliers
  - Required by state statute

Relevant Medical Records

- Examples of relevant medical records include:
  - Physician notes
  - Non-physician clinical notes
  - Non-physician clinical evaluations

Supplementary Documentation

- Other types of information not sufficient by themselves to document coverage criteria
  - Even if signed or initialed by treating physician
  - Not considered part of patient's medical record
- Will be given consideration if corroborated by medical record
  - Applies to documents created before delivery of item(s)

Examples of Supplementary Documentation

- Forms (either narrative or check-off) developed by supplier and completed by physician, patient or caregiver
- Summaries of patient's medical condition prepared by supplier or physician

Proof of Delivery

- Supplier Standard 12
- Required to verify beneficiary received DMEPOS item
- Must be available upon request
  - If not provided →claim denied → overpayment requested
  - If no documentation provided on consistent basis, may be referred to Office of Inspector General (OIG)
- Maintain documentation for seven years

Documentation Checklist

Checklist

- Detailed Written Order
  - Patient name
  - Detail description of the items being provided including:
    - The specific frequency of testing (PRN or UD is not acceptable)
    - The length of need
  - Treating physician/prescriber's signature and the date the order was signed
  - Start date of the order
    - this is only required if the start date is different than the signature date of the order

Coverage Checklist

- Glucose testing supplies are covered only if documentation that supports the patient meets **all** of the following five basic coverage criteria:

1. The patient has a documented diagnosis of diabetes and is being treated by a physician for the condition.
2. The glucose monitor, related accessories, and supplies are ordered by the physician responsible for the patient's diabetes management. The physician maintains records that reflect the care and include the medical necessity for the prescribed frequency of testing.
3. The patient or caregiver has successfully completed training or is scheduled to begin training in the use of the glucose monitor and supplies.
4. The patient or caregiver is capable of using the test results to assure appropriate blood glucose control.
5. The glucose monitor is designed for home use.

Requirements for Quantities Above the Maximum Monthly Allowances

- For blood glucose testing supplies in quantities above the maximum monthly allowances, documentation that supports the patient must meet criteria A-F as follows:

  A. Coverage criteria 1-5 (noted above) are met.

  B. The supplier's files contain a copy of the treating physician's order.

  C. The patient has nearly exhausted the supply of test strips and lancets, or exhausted the useful life of one lens shield cartridge previously dispensed.

  D. The treating physician's order for testing frequency exceeds utilization guidelines, and the medical record documentation supports the need for testing frequency above utilization guidelines.

  E. The treating physician has seen the patient and evaluated his or her diabetes control **within six months** of the date of the order for the quantities of supplies exceeding utilization guidelines.

  F. The physician/supplier's records contain a copy of the patient's testing log or other physician records, such as a narrative statement, that adequately documents the patient's testing frequency.

- **Note:** If the patient regularly uses quantities of supplies that exceed the utilization guidelines, new documentation to support these supply quantities is obtained every six months.

Billing: Maximum Allowable for Insulin Dependent Patient

- A patient who is an insulin treated diabetic may received 300 strips and lancets every 3 months or 3/day
  - Modifier code KX
  - Specified required documentation on file

Billing: Maximum Allowable for Non-Insulin Dependent Patient

- A patient who is a non-insulin controlled diabetic may receive 100 test strips and lancets every 3 months or 1 per day
  - Modifier code KS
  - Specified required documentation on file

HCPCS Codes

- A4253 test strips 1 unit=50 test strips
- A4259 lancets 1 unit=100 lancets

Additional Documentation Requirements for Quantities Exceeding Allowable Amount

- The patient has been seen and evaluated by the prescribing physician/prescriber within six months prior to the date of service
- The prescriber/physician has documented the specific reason for more frequent testing
- The physician/prescriber of the patient has documented the actual frequency of testing (ie testing logs)

Proof of Delivery Signature

- Proof of delivery may be signed by
  - Beneficiary
  - Beneficiary's designee
    - "Any person who can sign and accept the delivery of durable medical equipment on behalf of the beneficiary"
    - Relationship to beneficiary must be noted on delivery slip
- Proof of delivery must not be signed by
  - Suppliers
  - Employees of suppliers
  - Anyone with financial interest in delivery of item

Delivering Directly to Beneficiary or Designee

- Have signed delivery slip including
  - Patient's name
  - Quantity delivered
  - Detailed description of item delivered
  - Brand name
  - Serial number
- Date of signature must be the date the beneficiary or designee received item
- Date of service = date of delivery

Utilizing Delivery/Shipping Service

- Proof of delivery would include:
  - Delivery service's tracking slip that references:
    - Each individual package
    - Delivery address
    - Corresponding package identification number
    - If possible, date delivered
  - Supplier's own shipping invoice:
    - Including delivery service's package identification number
- Date of service = shipping date

Authorization to Bill Medicare

- Beneficiary must authorize supplier to bill Medicare
- Sign and date Item 12 on CMS-1500 claim form; or
- Signature On File (SOF)
  - One-time authorization
  - Statement from beneficiary authorizing Medicare benefits to be paid to themselves or supplier

SOF & Future Claims

- Later claims for same services can be filed without obtaining additional signature
- Claims may be assigned or non-assigned
  - Exception non-assigned DME rentals

Glucose Monitor and Testing Supplies

Basic Coverage Criteria Monitor E0607

- Patient must meet all the following criteria:
  1. Diabetic (diagnosis code 249.00 –250.93)
  2. Monitor and supplies ordered by a physician
  3. Beneficiary or caregiver completed training on use of equipment
  4. Capable of using results
  5. For use in the home

Special Feature Monitors –E2100, E2101

- Impaired visual acuity
  - Integrated voice synthesizer (E2100)
    - Covered when basic criteria is met, and
    - Physician certifies severe impairment
      - Best corrected visual acuity of 20/200 or worse
- Impaired manual dexterity
  - Integrated lancing (E2101 only)
    - Covered when basic criteria is met, and
    - Physician certifies impairment of manual dexterity
      - Physician's narrative statement on file

Accessories and Supplies

- Lancets (A4259)
  - 1 unit = 100 Lancets
- Blood glucose test strips (A4253)
  - 1 unit = 50 strips
- Glucose control solutions (A4256)
- Spring powered device (A4258)
  - 1 per six month

Non-covered Supplies

- Non-covered
  - Alcohol or peroxide (A4244, A4245)
  - Betadine or phisoHex (A4246, A4247)
  - Urine reagent strips or tablets (A4250)
  - Home glucose disposable monitor (A9275)
  - Continuous glucose monitor
    - Considered precautionary
  - Reflectance colorimeter devices
    - Frequent professional re-calibration makes them unsuitable for home use

Not Reasonable and Necessary

- The medical necessity for a laser skin piercing device (E0620) and related lens shield cartridge (A4257) has not been established; therefore, claims for E0620 and/or A4257 will be denied as not reasonable and necessary.

Utilization Guidelines

- Patient not treated with insulin
  - 100 test strips and 100 lancets or one lens shield **every three months**
- Patient being treated with insulin
  - 100 test strips and 100 lancets or one lens shield **every month**
- Oral medication is not insulin-treated

Over-Utilization Guidelines

- Patient who exceeds guidelines must meet all the following criteria:
  - Coverage criteria 1 –5 are met
  - Supplier of test strips, lens shield and lancets maintains in records the order from treating physician
  - Beneficiary has nearly exhausted supply of test strips and lancets, or useful life of one lens shield
  - Treating physician ordered frequency of testing that exceeds utilization guidelines
    - Documented in patient's medical record with specific reason for additional materials

Over-Utilization Guidelines Cont.

- Treating physician has seen patient and has evaluated their diabetes control
  - Within six months or ordering strips and lancets, or lens shield that exceed guidelines
- If refills of quantities of supplies that exceed guidelines are dispensed
  - Must be documented in physician's or supplier's records
    - Patient actually testing the frequency that corroborates the quantity dispensed (Narrative statement or beneficiary's log)
  - For patients that regularly use quantities exceeding guidelines
- Patient or prescriber has documentation of actual testing frequency
  - New documentation at least every six months

Refills

- At beneficiary's request
  - Supplier may refill orders without consulting physician if order is still valid and allows refills
- Dispense no more than a three-month supply at a time
  - Not to exceed beneficiary's expected utilization
- No automatic dispensing on predetermined basis

Reminders

CERT Audit Program

- Comprehensive Error Rate Testing (CERT) post audit random sampling program for Medicare claims
  - Measures and improves quality/accuracy
  - Send CERT requested documentation timely
  - Watch signature requirements/documentation
- CMS Claims Review Programs booklet
  - October 2010
  - Includes MR, NCCI, MUEs, CERT, and RAC

Signature Requirements

- Ordering practitioner clearly identified in records
  - First name/last name/credentials/date
- If illegible, must also type/print name
- Dictated notes must be verified or read by physician/practitioner
- Internet Only Manual (IOM) Publication 100-08, Chapter 3, Section 3.4.1.1

Signature Requirements

- Acceptable
  - Handwritten
  - Electronic
- Unacceptable
  - Signature stamps
  - Signed but not read

Complete Documentation

- Remember to make sure that all documentation is complete and properly done.
- Do not submit a bill until the product is being picked up/delivered to the patient.
- Make sure that you have all of the documentation from the prescriber before submitting the claim
  - This includes provider notes and verification of testing frequency in addition to other necessary documentation.

Thank You!