

**Managed Care Operations Memorandum
General Operations
MCOPS Memo # 09/2020-015**

Date: September 29, 2020

Subject: Verifying Medicare Noncovered Durable Medical Equipment (DME)

To: All Physical Health (PH) and Community HealthChoices (CHC) Managed Care Organizations (MCOs) – Statewide

From: Laurie Rock, Director, Bureau of Managed Care Operations, Office of Medical Assistance Programs

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Purpose:

The purpose of the Operations Memorandum is to instruct all PH and CHC MCOs how to verify Medicare noncoverage of DME in order to ensure the payment of claims by the MCO is avoided when Medicare is responsible to pay.

Background:

Section VII.F.1 of both the CHC Agreement and HealthChoices (HC) Agreement require CHC-MCOs and HC MCOs to avoid initial payment of claims, whenever possible, where federal or private health insurance-type resources are available.

Discussion:

When a claim for DME is submitted by a provider for a Participant who is dual eligible for Medicare and Medical Assistance (MA), the MCO should utilize the “Noncovered Items” list found on the [Noridian Medicare website](#) to verify the specified DME is not covered by Medicare, before processing the claim. The alternative is to send the claim through Medicare and wait for a denial. After accessing this webpage, the MCO will need to enter the specified DME into the “Search for a HCPCS” search box. If the specified DME is found on the list, it will populate in the section below the search box with a brief description and the HCPCS Code.

If the specified DME is found on the "Noncovered Items" list, then the claim should be processed through MA without submitting to Medicare for a denial, as it can be considered verified as not covered by Medicare. If the specified DME is not found on the "Noncovered Items" list, then the claim should first go through Medicare to receive approval or denial before it is processed through MA. The MCO must document how Medicare noncoverage was verified.

Next Steps:

MCOs are encouraged to use the Noridian Medicare website to verify Medicare non-coverage of DME.

Obsolete:

N/A

Attachment:

N/A