NYS Medicaid Preferred Diabetic Supply Program
DME Billing Information

Effective October 1, 2009, the New York State Medicaid Program is implementing a Preferred Diabetic Supply Program (PDSP) for fee-for-service, Medicaid Managed Care, and Family Health Plus enrollees that cover a wide variety of blood glucose monitors and test strips through use of a preferred supply list (PSL).

The following outlines the process for billing preferred blood glucose monitors and test strips, which requires the use of the National Drug Code (NDC) to identify the product(s) dispensed. Both pharmacies and durable medical equipment providers will need to use the NDC when billing preferred products. The PSL can be found at https://newyork.fhsc.com. To request a hard copy of the PSL please call (518) 951-2051 or email NYPDPNotices@fhsc.com.

- Claims for preferred blood glucose monitors and test strips do not require prior approval or DVS authorization.
- Claims for preferred blood glucose monitors and test strips must be submitted using a valid 11-digit NDC.
- Blood glucose monitors must be billed with quantity of '1'.
- Blood glucose test strip quantities must be billed based on the actual number of test strips dispensed. One box of '50' strips should be billed as '50'.
- HCPCS codes are to be billed for non preferred monitors and strips. Prior approval is required.
- The PDSP does not include beneficiaries enrolled in both Medicare and Medicaid. NDC reporting is not required for coinsurance and deductible claims to Medicaid.
- NDC is required when billing third party co-insurance.
- Reimbursement for preferred products will not exceed the lower of the usual and customary charge or the fee for each NDC on the List of Medicaid Reimbursable Drugs.

Electronic/837P:

1. Continue to report the HCPCS code and units in SV1.
2. Report the 11-digit NDC and its corresponding information in the LIN Segment of LOOP ID 2410 to specify the PDS product that is part of the service described in SV1 for the 837 format. Providers must also report the quantity and unit of measure of the NDC as outlined in the table below:

Reporting NDC Information in 837 Claim Formats		
LIN Segment - Drug Identification e.g., LINN4*01234567891**		
LIN02	N4	N4 Qualifier identifies NDC being billed.
LIN03	Actual NDC e.g., 01234 5678 91	Report NDC in the 11-digit format (5-4-2). Do not use hyphens or spaces.
CTP Segment - Drug Segment e.g., CTP*2.50*2*UN**		
CTP03	Unit Price	e.g., 2.50 Do not report the dollar sign. (Enter 0.00 if cost unknown.)
CTP04	Dispensing Quantity	e.g., 2
CTP05	Unit of Measure Value	Values are: F2 = International Unit GR = Gram ML = Milliliter UN = Unit

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DME Billing Information - Continued

3. **For the claim to be paid, the preferred diabetic supply (PDS) product HCPCS MUST be on the first line of the claim.** If the PDS procedure code is reported on subsequent lines of the claim, the required NDC code information will not be associated with the procedure code and the claim will be denied. Other procedure codes must be entered on the line two and below. Multiple PDS procedure codes reported for the same date of service must be submitted on a separate claim so that the HCPCS is reported on the **first claim line of each claim.**

PAPER:

1. Claim form **eMedNY 150002** must be used when billing PDS products.
   The form has been updated with the following fields which must be completed in addition to the CPT/HCPCS fields:

   - Field 20: NDC (found on the invoice or product package)
   - Field 20A: NDC Unit (of measure).
   - Field 20B: NDC Quantity
   - Field 20C: Total Cost

2. Continue to report HCPCS and units. **For the claim to be paid, the test strip or blood glucose monitor HCPCS MUST be on the first line, and only the first line, of Field 24C** (procedure code). If the PDS procedure code is reported on subsequent lines of the claim form, the required NDC code information will not be associated with the procedure code and the claim will be denied. Other procedure codes must be entered on the line two and below. Multiple PDS procedure codes reported for the same date of service must be submitted on separate claims forms so that the HCPCS is reported on the **first claim line of each claim.**

3. When entering information in Field 20B (NDC Quantity) and 20C (Total Cost), you must overwrite the red decimals (already appearing in the field) with black or blue ink.

For billing assistance, please call CSC at 800-343-9000
or
for *complete DME billing guidelines* visit:

http://www.emedny.org/ProviderManuals/DME/PDFS/DME_Billing_Guidelines.pdf
http://www.emedny.org/ProviderManuals/Pharmacy/communications.html
http://www.emedny.org/providermanuals/DME/communications.html