

Pricing Methodology Change for Orthopedic Footwear

Recent regulation changes to 18 NYCRR Part 505.5 created a new Medicaid pricing methodology for orthopedic footwear. The changes are a result of the Medicaid Redesign Team's recommendation to increase the efficiency of the Medicaid program by reducing the administrative burden on orthopedic footwear providers to obtain claims payment. The regulations are available through the State Register at:

<http://www.dos.state.ny.us/info/register/2011/apr27/pdfs/rules.pdf>

As a result, Maximum Reimbursable Amounts (MRAs) have been established for footwear procedure codes effective for dates of service on and after May 1, 2011. Footwear providers will no longer be required to send paper claims and invoices for manual pricing of footwear billed over the former "screen" prices. The MRAs are determined for each item of footwear based on an average cost of products representative of that item which enables providers to bill claims electronically. The May 1, 2011 fee schedule with the footwear MRAs is available at

<http://www.emedny.org/ProviderManuals/DME/index.html>

For questions, please contact the Division of Provider Relations and Utilization Management at (800) 342-3005 or dprum@health.state.ny.us