

----- 1. *Diabetic Testing Supplies* -----

Coverage Policy:

To be eligible for coverage, the patient must meet all of the following basic criteria:

1. The patient has diabetes (ICD-9 codes 250.00-250.93) which is being treated by a physician.
2. The glucose monitor and related accessories and supplies have been ordered by the physician who is treating the patient's diabetes and the treating physician maintains records reflecting the care provided including, but not limited to, evidence of medical necessity for the prescribed frequency of testing.
3. The patient (or the patient's caregiver) has successfully completed training or is scheduled to begin training in the use of the monitor, test strips, and lancing devices.
4. The patient (or the patient's caregiver) is capable of using the test results to assure the patient's appropriate glycemic control.
5. The device is designed for home use.

Medicare's utilization guidelines are dependent on whether or not the beneficiary is being treated by insulin:

- Non-insulin treated – 100 strips and 100 lancets every 90 days or once a day testing.
- Insulin treated – 100 strips and 100 lancets every 30 days or three times a day testing.

Claims Filing:

- **Modifier Attachment** eRx Network will automatically attach modifiers based on the submitted ICD-9. If the ICD-9 reflects a Type II diabetic (even digit in the thousandth place, i.e. 250.02), we will assume the beneficiary is non-insulin treated. If the ICD-9 reflects a Type I diabetic (odd digit in the thousandth place, i.e. 250.01), we will assume the beneficiary is insulin treated. If the provider is filing a diabetic supplies claim for a *Type II, insulin treated patient*, then it will be necessary for them to indicate this by submitting the KX modifier. The provider may submit the modifier directly following the HCPCS (i.e. A4253KX) or in the Procedure Modifier Code (459-ER) field of a version 5.1 claim.
- **Excessive Utilization** Many diabetic beneficiaries exceed Medicare's utilization guidelines for testing. Medicare *will* pay for excessive testing frequencies as long as documentation is maintained in the patient's medical record to support the medical necessity of that level of testing. When filing for quantities/frequencies of

test strips or lancets that exceed these guidelines, the provider may indicate that the required documentation is on file by populating the Rx Denial Override (AKA Submission Clarification) field with a '07'. This will prompt eRx Network's system to generate a narrative statement which includes the level of testing (quantity / days supply) and an indication that documentation is on file.

- **Replacement Glucose Monitor** Medicare considers the reasonable useful lifetime for a glucose monitor (HCPCS code E0607) to be 5 years. If there is a need to bill a replacement meter within this time due to irreparable damage or theft, it is suggested that the provider obtain a signed ABN from the patient in case the claim is denied. It is also suggested that the provider submit a narrative statement reflecting the reason for replacement. This may be done by calling the eRx Network Supplier Helpdesk or by logging onto <http://www.ernetwork.com/>. Once it comes time to submit the claim, the provider will need to populate the Rx Denial Override (AKA Submission Clarification) field with a '02' to override the early refill edit as well as submit a modifier to indicate the situation. The required modifier is based on the criteria below. The provider may submit the modifier directly following the HCPCS (i.e. E0607XZ) or in the Procedure Modifier Code (459-ER) field of a version 5.1 claim.

XZ - Insulin treated patient, signed ABN *not* on file

XA - Insulin treated patient, signed ABN on file

SZ - Non-insulin treated, signed ABN *not* on file

SA - Non-insulin treated, signed ABN on file

Note: This procedure may only be used for the initial submission of the replacement glucose meter. If the provider has already received a denial from Medicare for the monitor, the denial must be submitted to the appeals process for redetermination.