



STATE OF LOUISIANA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE OR SERVICES LISTED IN SECTION 1902 (A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM, UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

- D. Effective for dates of service on or after March 7, 2009, the reimbursement for prosthetic and orthotic devices shall be reduced by 3.5 percent of the fee amounts on file as of March 6, 2009. The rate reduction shall not apply to items that do not appear on the fee schedule and are individually priced.
- II. Standards for Payment

Prior authorization is required for prosthetic devices. Authorization is made by the Prior Authorization Unit (PAU).

STATE <u>Louisiana</u>	A
DATE REC'D <u>3-30-09</u>	
DATE APP'VD <u>6-5-09</u>	
DATE EFF <u>3-7-09</u>	
HCEA 179 <u>09-19</u>	

SUPERSEDES: TN# 07-22

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Approval Date 6-5-09

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CITATION Medical and Remedial Prosthetic Devices (including artificial eyes, braces, and other prosthetic  
42 CFR Care and Services devices)  
447.300-304 Item 12c

I. Methods of Payment

A. Unless otherwise stated, the reimbursement for all prosthetic devices is ninety percent (90%) of the 2007 Medicare Fee Schedule amount or billed charges, whichever is the lesser amount. If an item is not available at ninety percent (90%) of the 2007 Medicare fee schedule amount, the flat fee that will be utilized is the lowest cost at which the item has been determined to be widely available by analyzing usual and customary fees charged in the community.

The reimbursement rate is the same for both governmental and non-governmental providers.

B. Another group of equipment is priced on an individual basis. Pricing of this equipment group is based on an item-by-item analysis due to the unique specifications of each item and the beneficiary's needs. These are items which are customized to meet the special medical needs or physical specifications of a particular individual.

Pricing on an item-by-item basis because of unique specifications may include analysis of such factors as invoiced costs to providers, comparative prices of the providers, manufacturer's suggested retail prices for equipment or system components and negotiated rates based on an accumulation of data from private insurers as to their allowable reimbursement for these types of equipment.

Effective January 1, 2009, reimbursements for prosthetic or orthotic services or devices shall only be paid to an accredited provider in accordance with Louisiana R.S. 40.1300.281.

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