

8. Home Health Services (continued)

(b) Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)

- (1) If the item of DMEPOS is covered by Medicare, the Medicaid fee will be equal to or a percentage of the Medicare fee schedule specific to Texas that is available at the time of the fee review, unless there is documentation that the Medicare fee is insufficient for the items covered under the procedure code and required by the Medicaid population.
- (2) For items of DMEPOS not paid at the Medicare fee, the provider will either be reimbursed a fee determined by HHSC or through manual pricing. The fee determined by HHSC will be determined from cost information from providers, manufacturers, surveys of the Medicaid fees for other states, survey information from national fee analyzers, or other relevant fee-related information.
- (3) Manual pricing is reasonable when one procedure code covers a broad range of items with a broad range of costs, since a single fee may not be a reasonable fee for all items covered under the procedure code, resulting in access-to-care issues. Examples include 1) procedure codes with a description of "not otherwise covered," "unclassified," or "other miscellaneous;" and 2) procedure codes covering customized items. If manual pricing is used, the provider is reimbursed either the documented manufacturer's suggested retail price (MSRP) less 18 percent, or the documented average wholesale price (AWP) less 10.5 percent, whichever one is applicable. If one of these is not available, the provider's documented invoice cost is used as the basis for manual pricing. AWP pricing is used primarily for nutritional products and DMEPOS items sold in pharmacies.
- (4) The Medicaid fees for oxygen equipment, oxygen, and oxygen-related supplies will not exceed the Medicare fee for the same procedure code.
- (5) All fee schedules are available through the agency's website as outlined on Attachment 4.19-B, page 1.
- (6) The agency's fee schedule was revised with new fees for durable medical equipment, prosthetics, orthotics, and supplies effective July 1, 2012, and was posted on the agency's website on July 6, 2012.

SUPERSEDES: TN- 12-13

STATE	<u>TEXAS</u>
DATE REC'D	<u>8-31-12</u>
DATE APPV'D	<u>10-24-12</u>
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7. Home Health Care Services

In accordance with the provisions or specifications established by the single state agency, home health care services are as follows:

- A. Authorized services, supplies, equipment, or appliances must be suitable for treatment and/or related to the medical condition of the recipient. The services provided through home health are intended for the recipient and must be related to the medical condition, rather than primarily for the convenience of the recipient, caregiver/guardian, or the provider. The service, supply, equipment, or appliance must be provided to an eligible recipient in his or her place of residence. The recipient's place of residence does not include a hospital, nursing facility, or intermediate care facility for the mentally retarded. The only exception for services provided in an intermediate care facility for the mentally retarded occurs when the facility is not required to provide services as defined in Subpart I of 42 CFR Part 483. All home health services are provided in accordance with 42 CFR 440.70.

- B. The recipient for whom home health care services are authorized must be under the continuing care and supervision of a licensed physician.

Medical necessity criteria include supporting documentation of the medical need and the appropriateness of the equipment, service, or supply prescribed by the physician for the treatment of the individual recipient.

- C. Services, supplies, equipment, or appliances must be prescribed by a physician as medically necessary and appropriate and documented as part of the physician's plan of treatment for the recipient in the written, dated, and signed plan of care and/or order form.
- D. All home health benefits require prior authorization for payment, unless otherwise specified by the Title XIX single state agency and must be furnished by a home health agency or a durable medical equipment/supplier enrolled to provide Title XIX home health services. Insulin syringes and needles are obtained with a physician's prescription from a participating pharmacy and do not require prior authorization.
- E. To become enrolled as a Title XIX home health agency or home health durable medical equipment supplier, the home health agency or durable medical equipment supplier must be approved as a Title XVIII (Medicare) home health services provider or durable medical equipment/supplier and must be enrolled with the Title XIX single state agency.

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