November 20, 2014

Montana Health Care Programs Notice

DME, Pharmacy, Physician, and Mid-Level Practitioners

DME Order and Prescription Requirements

DME providers, including pharmacies enrolled as DME providers, are reminded of the order and prescription requirements for medical equipment and supplies.

Orders and prescriptions must be dated and signed by the authorized prescriber, and must indicate diagnosis, medical necessity, quantity, and the length of need.

The definition of medical necessity can be found in Administrative Rules of Montana (ARM) 37.82.102. A medically necessary service means a service or item reimbursable under the Montana Medicaid program which is reasonably calculated to prevent, diagnose, correct, cure, alleviate, or prevent the worsening of conditions in a patient which:

a. Endanger life;
b. Cause suffering or pain;
c. Result in illness or infirmity;
d. Threaten to cause or aggravate a handicap; or
e. Cause physical deformity or malfunction.

A service or item is not medically necessary if there is another service or item for the member that is equally safe and effective and substantially less costly including, when appropriate, no treatment at all.

If medical necessity is substantiated, the prescribing physician should validate the medical necessity requirement on the order by including a statement such as: *The prescribed item or items are needed to treat a medical condition in which no other item or treatment that is less costly is available*.

Orders and prescriptions can be verbal, electronic, or written.

For DME items dispensed on a verbal order, the supplier must promptly reduce the order to writing and follow up with a complete written order signed by the authorized prescriber prior to billing the Department.

ARM 37.86.1802 states these requirements and also refers to the applicable Medicare criteria. Applicable ARMs can be viewed in detail at http://www.mtrules.org/.

Applicable Medicare criteria specific to DME orders and prescriptions is in the Region D Supplier Manual, Chapter 3.

Contact Information

For further information, contact Donna Shorten, DME Program Officer, at 406-444-5296 or dshorten@mt.gov.

For Medicare criteria visit the CMS website at http://www.noridianmedicare.com.

For claims questions or additional information, contact Provider Relations at 1-800-624-3958 (toll-free, in/out of state) or 406-442-1837 (Helena) or via e-mail at MTPRHelpdesk@xerox.com.

Visit the Montana Medicaid Provider Information website at http://medicaidprovider.hhs.mt.gov.