

**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

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SECTION: Claims		ISSUE DATE: <i>DECEMBER 1, 2001</i>			
SUBJECT: DME Billing Guidelines		EXTERNAL APPROVAL	DMC	DHS	MRMIB
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Approved	<u><i>Carol Sorrell</i></u>	Date	<u><i>8/26/01</i></u>
	Carol Sorrell, R.N. Chief Executive Officer		
Approved	<u><i>M. H. H. H.</i></u>	Date	<u><i>8-15-01</i></u>
	Chief Financial Officer		
Approved	<u><i>Anita Levine Budman</i></u>	Date	<u><i>8-14-01</i></u>
	Claims Manager		

POLICY:

All DME services must be billed by the provider using the HCFA 1500 form and the appropriate HCPCS codes and modifiers in accordance with the guidelines and restrictions set forth in this policy and procedure.

PURPOSE:

To provide guidance to DME service providers for billing preparation and submission.

PROCEDURE:

1.0 BILLING PREPARATION AND SUBMISSION

Claims should be submitted to KHS in accordance with *KHS Policy and Procedure #6.01 – Claims Submission/Reimbursement*.

Providers must submit a complete HCFA 1500 form to bill for services provided. Applicable HCPCS codes, including modifiers, should be used to properly identify the equipment provided.

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2.0 RESTRICTIONS AND REQUIREMENTS FOR ADDITIONAL DOCUMENTATION

Claims should be submitted in accordance with the restrictions and requirements for additional documentation in the following table.

Procedure Code	Description	Restriction/Requirement
E0601	CPAP	Requires prior authorization. Rented for a maximum of twelve months or until purchase price is reached. Initial supplies are included in the rental rate. Replacement supplies require prior authorization.
E1399	BIPAP	Requires prior authorization. Rented for a maximum of twelve months or until purchase price is reached. Initial supplies are included in the rental rate. Replacement supplies require prior authorization.
X2976	O ₂ Concentrator	Requires prior authorization. Rental only.