



HEALTHCARE COMMON PROCEDURE CODING SYSTEM (HCPCS)

The rate identified in the rate column is the purchase price of the item represented by the HCPCS code if the modifier next to it is NU or there is no modifier listed. The sum of payments for the respective item should not exceed the purchase price throughout the life of the claim. No additional payment should be allowed upon reaching the purchase amount as shown in the fee schedule. If there is a modifier of RR next to the code then the rate is the rental cost per unit. Rental costs per claim shall not exceed ten times the rental amount shown in the fee schedule. Suppliers must offer a purchase option during the 10th continuous rental month.

Examples:

E1310	RR	\$ 244.24
E1353		\$ 37.66
E1372	NU	\$ 161.14

E1310 should never exceed \$2,442.40 per claim
E1353 should never exceed \$37.66 per claim
E1372 should never exceed \$161.14 per claim

For any Durable Medical Equipment (DME) code that is not listed in the fee schedule or does not have a corresponding fee schedule amount, reimbursement will be limited to the invoice cost plus a 30% mark-up.

Example:

E0485		\$ 0.00
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E0485 the invoice cost + 30% = amount reimbursed

Durable Medical Suppliers are subject to The National Correct Coding Initiative Edits (“NCCI”) adopted by the CMS. Claims administrators shall apply the NCCI physician coding edits and medically unlikely edits to bills to determine appropriate payment. Claims Administrators shall utilize the National Correct Coding Initiative Coding Policy Manual for Medicare Services.

Physician NCCI Edits are published by CMS on its website at:
<http://www.cms.gov/NationalCorrectCodInitEd/>

Medically Unlikely Edits are published by CMS, further information is available at:
<http://www.cms.gov/Medicare/Coding/NationalCorrectCodInitEd/MUE.html>