



## MEMORANDUM

**TO: NH Medicaid and Healthy Kids-Gold (Title XIX) Pharmacy and Durable Medical Equipment (DME) Providers**  
**FROM: EDS and NH Medicaid**  
**DATE: October 16, 2009**  
**SUBJECT: Exclusive Supplier of Incontinence Products, New Prior Authorization Request Form, Coding, Pricing, and Limits**

---

Please be advised that the NH Medicaid program has selected Gulf South Medical Supply, Inc. (Gulf South) to be the exclusive supplier of incontinence products for all NH Title XIX recipients. This means that Title XIX recipients will still be free to choose any NH Medicaid provider, but the provider will only receive payment from NH Medicaid for incontinence products, including gloves used for this purpose, if they are obtained from Gulf South. There is a transition period associated with this change, as well as other related changes, as outlined below. It is critical that you carefully and promptly review how these changes will affect you and what you need to do.

### **Gulf South Contact**

Gulf South will begin reaching out to you through mail and telephone contact very shortly. It is important that you work closely with them as soon as possible in order to submit a credit application and establish a NH Medicaid buying account. Gulf South will also be collecting information from you on estimated product usage which is necessary in order for Gulf South to stock an adequate, initial start-up supply of incontinence products at their local distribution center.

We request that you please go online at [www.mygsonline.com](http://www.mygsonline.com) to complete the electronic credit application with Gulf South as soon as possible. If you are unable to complete the application online, or if you have any questions about this process, please contact Lori Cordes at Gulf South at 904-380-4537 or [lcordes@gsms.com](mailto:lcordes@gsms.com).

It is expected that once you establish an account, Gulf South can begin shipping your initial supply of products about one month later, or around November 18, 2009. Please be sure to order your initial supply of incontinence products well in advance of the date you need to provide products to the recipients. After the start-up time period, subsequent orders will be delivered within 24 hours.

Please note that time is being allowed for the transition to Gulf South and that NH Medicaid will continue to reimburse you for incontinence products obtained from other providers until the amended rules are approved by the Joint Legislative Committee on Administrative Rules on January 15, 2010. However, it may be to your advantage to begin obtaining incontinence products from Gulf South as soon as possible because the reimbursement rates paid by NH Medicaid for incontinence products are changing effective with dates of service December 1, 2009 (see rate change section below, as well as Attachment 1). By ordering your incontinence products from Gulf South, you can take advantage of obtaining products at a volume purchase discounted rate as negotiated by NH Medicaid with Gulf South.

NH Medicaid enrolled providers will be able to purchase product offerings from Gulf South at a guaranteed per unit price. Product offerings include an array of brands, sizes, and absorbencies designed to meet the needs of the NH Title XIX population (see Product Sheet, Attachment 2). All of the products being offered have met stringent, nationally recognized, industry standard performance testing. Gulf South will also be conducting training sessions about the specific NH Title XIX products offered, as well as extending to you an opportunity to attend a “meet and greet” session in the near future. Details about this introductory meeting and question and answer session will be forthcoming from Gulf South.

If you choose not to, or are unable to, obtain incontinence products from Gulf South, you should communicate this to Gulf South as soon as possible. This will allow NH Medicaid to contact affected NH Title XIX recipients prior to December 1, 2009, to help them manage their product needs and make a transition to a new provider.

### **New Prior Authorization Request Form**

**1) Adults:** A new prior authorization request form specific to incontinence products has been developed and is attached for your use. It is also available for download on the EDS website at [www.nhmedicaid.com](http://www.nhmedicaid.com). This new Form 272 DIA, “Incontinence Products Prior Authorization Request Form,” is to be used in place of the Form 272 D, “Durable Medical Equipment/Medical Supply Prior Authorization Request Form,” when requesting prior authorization for incontinence products for adults. There are no changes to the prior authorization process. Please be sure to include a letter of medical necessity from the ordering physician or healthcare provider.

**2) Children:** For Title XIX recipients ages 3 through 20, a prior authorization is not required if coverage criteria are met, but a letter of medical necessity must be on file. Please review the coverage criteria for children found in the December 2005 Provider Bulletin at [www.nhmedicaid.com](http://www.nhmedicaid.com). Please note that prior authorization is required for children if there is a medical need to obtain more than the quantity limits. Please use the new Form 272 DIA to make these requests. Incontinence products are **not** covered for children who would be in diapers regardless of medical condition (0 to 3 years of age). Any requests for exceptions should be submitted on a Form 272 DIA.

**3) Important Form Instructions:** The new Form 272 DIA **must be** used beginning with December 1, 2009, dates of service. The current Form 272 D is acceptable until that time. However, the 272 DIA **may be** used immediately if the following instructions are followed. Prior to December 1, 2009, dates of service, you must use **only** the current HCPC codes on your prior authorization requests using the 272 DIA. These codes are T4521, T4522, T4523, T4524, T4533, T4535, and T4541. If you use any other codes, your prior authorization request will be returned. Beginning December 1, 2009, you should also use the new HCPC codes that are on the form and that include: T4525, T4526, T4527, T4528, T4534, and T4543.

If additional units are authorized for adults or children, multiple claims are required. First, you must submit claims up to the maximum quantity limit. Then a separate claim must be submitted in order to receive reimbursement for additional units exceeding the quantity limits. The claim must show the PA number issued for the additional units. Please note that some recipients that you serve may have received incontinence products from other providers that will be counted toward the monthly maximums.

**Quantity Limits and Product Ordering Limits**

The daily and monthly limits for diapers and other disposable incontinence products are not changing except that, effective December 1, 2009, if package sizes require dispensing over the quantity limits, the increased amount will be allowed as long as the total comes as close to the original limit as possible. For example, if diapers are packaged 10 diapers/package, you should dispense 19 packages for a total of 190, which is just over the limit of 186 per month.

As a reminder, quantity limits are as follows, and items are not interchangeable for purposes of staying within the limits:

| <b>Product</b>           | <b>Adults (21 and over)</b> | <b>Children (under 21)</b> |
|--------------------------|-----------------------------|----------------------------|
| Chux underpads           | 3 per day or 93 per month   | 2 per day or 62 per month  |
| Briefs, pullups, diapers | 6 per day or 186 per month  | 6 per day or 186 per month |
| Pads and liners          | 3 per day or 93 per month   | 3 per day or 93 per month  |

Although recipients are limited to the above monthly quantities, please note that effective December 1, 2009, providers will be able to dispense and bill for a 3-month supply at a time if they so wish. The attached billing guidance (Attachment 1) and product sheets (Attachment 2) indicate the quantities per bag for the Gulf South products. Using the above limits and the quantities per bag, the maximum billable units have been calculated for you as indicated on the attachments. As always, incontinence products should be billed in accordance with the usual and customary requirements of RSA 126-A:3, III. Any billed service that does not meet the above criteria will be recouped.

**Rate Changes, Procedure Code Changes, and the Addition of Modifiers for Incontinence Products and Gloves**

Effective December 1, 2009, revised reimbursement rates, additional procedure codes, and new modifiers will take effect for incontinence products and for gloves used in the

care of incontinence needs. Procedure codes have been added for both adult and youth supplies to accommodate new product offerings, and most now require modifiers.

It is important that you utilize the proper procedure codes and modifiers in order to ensure that the correct reimbursement rate on the fee schedule gets matched to the product dispensed, that products are subject to the correct quantity limits and prior authorization requirements, and that data based upon codes is accurate and relevant.

A billing guidance sheet which lists the procedure codes, rates, and modifiers is included as Attachment 1. The modifiers are explained on the last page of this notice for your convenience:

Please note that if, prior to December 1, 2009, you dispense products obtained from Gulf South, you must use the **current** billing procedure codes for those claims with dates of service prior to December 1, 2009. Effective with December 1, 2009, dates of service, the changes to the procedure codes, modifiers, maximum units and pricing will be implemented.

If you have any questions regarding this notice, or billing for these services, please contact the Communications Unit at EDS: 1-(800)-423-8303 (NH & VT only) or (603) 224-1747.

**SUMMARY OF INCONTINENCE PRODUCT MODIFIERS**

**December 1, 2009**

| <b>Modifiers</b>                                    | <b>Description of Age of Recipient</b> | <b>Description (continued)</b> | <b>Description (continued) PA</b> |
|---|--|--------------------------------|-----------------------------------|
| <b>Briefs, pullups, diapers</b>                     |  |                                |                                   |
| None  | Child                                  | daytime                        | no                                |
| U1  | Adult                                  | daytime                        | yes                               |
| U2  | Over the limit child or adult          | daytime                        | yes                               |
| U3  | Child                                  | nighttime                      | no                                |
| U4  | Adult                                  | nighttime                      | yes                               |
| U5  | Over the limit child or adult          | nighttime                      | yes                               |
| <b>Liners and Guard Pads (T4535)</b>                |  |                                |                                   |
| None  | Child                                  | light absorb                   | no                                |
| U1  | Adult                                  | light absorb                   | yes                               |
| U2  | Over the limit child or adult          | light absorb                   | yes                               |
| U3  | Child                                  | moderate absorb                | no                                |
| U4  | Adult                                  | moderate absorb                | yes                               |
| U5  | Over the limit child or adult          | moderate absorb                | yes                               |
| U6  | Child                                  | heavy absorb                   | no                                |
| U7  | Adult                                  | heavy absorb                   | yes                               |
| U8  | Over the limit child or adult          | heavy absorb                   | yes                               |
| <b>Underpads (T4541)</b>                            |  |                                |                                   |
| None  | Child                                  |                                | no                                |
| U1  | Adult                                  |                                | yes                               |
| U2  | Over the limit child                   |                                | yes                               |
| U5  | Over the limit adult                   |                                | yes                               |
| <b>Gloves (when used for incontinence purposes)</b> |  |                                |                                   |
| U1  | 100/box                                |                                | no                                |
| U2  | 250/box                                |                                | no                                |