

**MEDICAID POLICY INFORMATION SHEET**

**Policy Analyst:** Vicki Goethals

**Phone Number:**

Initial

Public Comment

Final

**Brief description of policy:**

This policy will allow coordination of benefits for select continuous glucose monitoring systems (CGMS), disposable insulin pumps, and related supplies on the pharmacy claim format.

**Reason for policy (problem being addressed):**

The intent of this policy is for ease of billing and to allow coinsurance and deductible claim coverage of these items when a primary coverage exists, requires billing as a pharmacy claim, and has been billed prior to billing MDHHS as a secondary payer.

**Budget implication:**

- budget neutral
- will cost MDHHS \$ \_\_\_\_\_, and (select one) budgeted in current appropriation
- will save MDHHS \$ \_\_\_\_\_

**Is this policy change mandated per federal requirements?**

No.

**Does policy have operational implications on other parts of MDHHS?**

No.

**Does policy have operational implications on other departments?**

No.

**Summary of input:**

- controversial (Explain)
- acceptable to most/all groups
- limited public interest/comment

**Supporting Documentation:**

State Plan Amendment Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Public Notice Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes, please provide status:	If yes, Submission Date:
<input type="checkbox"/> Approved <input type="checkbox"/> Pending <input type="checkbox"/> Denied	
Date:                      Approval                      Date:	

<b>DRAFT FOR PUBLIC COMMENT</b>		
	<b>Michigan Department of Health and Human Services</b>	<b>Project Number: 2439-Pharmacy</b>   <b>Date: September 27, 2024</b>

**Comments Due:** November 1, 2024  
**Proposed Effective Date:** As Indicated  
**Direct Comments To:** Vicki Goethals  
**Address:**  
**E-Mail Address:** [goethalsv@michigan.gov](mailto:goethalsv@michigan.gov)  
**Phone:** | **Fax:** 517-346-9809

<p><b>Policy Subject:</b> Pharmacy Secondary Payer Coverage of Select Continuous Glucose Monitoring Systems (CGMS), Disposable Insulin Pumps, and Related Supplies</p> <p><b>Affected Programs:</b> Medicaid, Children’s Special Health Care Services (CSHCS)</p> <p><b>Distribution:</b> All Providers</p> <p><b>Summary:</b> This policy provides pharmacy secondary payer coverage of select continuous glucose monitoring systems (CGMS), disposable insulin pumps, and related supplies for beneficiaries where primary coverage has already paid as a pharmacy claim.</p> <p><b>Purpose:</b> The intent of this policy is for ease of billing and to allow coinsurance and deductible claim coverage of these items when a primary coverage exists, requires billing as a pharmacy claim, and has been billed prior to billing MDHHS as a secondary payer.</p> <p><b>Cost Implications:</b> Budget neutral</p> <p><b>Potential Hearings &amp; Appeal Issues:</b> None</p>
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<b>State Plan Amendment Required:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, date submitted:	<b>Public Notice Required:</b> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Submitted date:
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**Tribal Notification:** Yes  No  - **Date:**

**THIS SECTION COMPLETED BY RECEIVER**

<input type="checkbox"/> <b>Approved</b>	<input type="checkbox"/> <b>No Comments</b>
<input type="checkbox"/> <b>Disapproved</b>	<input type="checkbox"/> <b>See Comments Below</b>
	<input type="checkbox"/> <b>See Comments in Text</b>

<b>Signature:</b>	<b>Phone Number</b>
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**Signature Printed:**

<b>Bureau/Administration</b> <i>(please print)</i>	<b>Date</b>
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**Bulletin Number:** MMP 24-47

**Distribution:** All Providers

**Issued:** September 27, 2024

**Subject:** Pharmacy Secondary Payer Coverage of Select Continuous Glucose Monitoring Systems (CGMS), Disposable Insulin Pumps, and Related Supplies

**Effective:** As Indicated

**Programs Affected:** Medicaid, Children's Special Health Care Services (CSHCS)

This policy applies to Medicaid Fee-for-Service. Providers should contact the members' Medicaid Health Plan for their billing and reimbursement policies and coverage requirements.

The purpose of this policy is to announce that effective October 1, 2024, the Michigan Department of Health & Human Services (MDHHS) will allow coordination of benefits for select CGMS and disposable insulin pumps and their respective supplies on the pharmacy claim format. The intent of this policy is for ease of billing and to allow coinsurance and deductible claim coverage of these items when a primary coverage exists, requires billing as pharmacy claim, and has been billed prior to billing MDHHS as a secondary payer.

These select products will remain covered for eligible MDHHS program beneficiaries under the Durable Medical Equipment (DME) program medical benefit when no other insurance applies (or the other insurance covers under the DME benefit). Coverage for traditional insulin pumps requiring tubing and cannula type supplies and blood glucose monitors (BGM) and supplies will remain as a DME medical benefit for all beneficiaries.

The specific products for coverage are listed in the attached document and will also be maintained on the MDHHS Pharmacy web portal at: [Michigan.magellanrx.com](https://michigan.magellanrx.com) >> Provider Portal >> Documents >> Fee for Service Drug Coverage.

## Billing

Billing is processed by the fee-for-service Pharmacy Benefits Manager. Pharmacies must submit coordination of benefits claims utilizing one of the following National Council for Prescription Drug Program (NCPDP) Other Coverage codes in Claim Segment field 308-C8:

- 2 – Other coverage exists, payment collected (Coinsurance claim)
- 4 – Other coverage exists, payment not collected (Deductible claim)

If the coordination of benefits claim is submitted with a null or invalid Other Coverage Code, the claim will deny with NCPDP Reject Code 13 - M/I Other Coverage Code. Additionally, pharmacy claims submitted for these products but not billed as a coordination of benefit claim (i.e., Other Coverage Code 2 or 4) will reject with both NCPDP 816 – Drug Benefit Exclusion, may be covered by Medical and NCPDP AC – Product Not Covered Non-Participating Manufacturer along with standard transaction message to the pharmacy indicating: Bill as a Medical Supply/DME, non-rebate drugs are excluded. Refer to the Pharmacy Claims Processing Manual for billing and claims processing information. This manual can be found on the MDHHS Pharmacy web portal at [Michigan.magellanrx.com](http://Michigan.magellanrx.com) >> Provider Portal >> Documents >> Manuals. For additional billing assistance, contact the Technical Call Center at 1-877-624-5204.

### **Reimbursement**

Allowed coinsurance and deductible will be reimbursed based on MDHHS allowed amounts. All reimbursement rates are published on the MDHHS website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Billing & Reimbursement >> Provider Specific Information. In accordance with policy, no professional dispensing fee is paid for DME/medical supply items. Refer to Bulletin [MMP 23-31](#) for additional CGMS standards of coverage and payment rules.

### **Public Comment**

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments to Vicki Goethals at [GoethalsV@michigan.gov](mailto:GoethalsV@michigan.gov).

Please include “Pharmacy Secondary Payer Coverage of Select CGMS, Disposable Insulin Pumps, and Related Supplies” in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

### **Manual Maintenance**

Retain this bulletin until the information is incorporated into the MDHHS Medicaid Provider Manual.

## Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Typical Providers may phone toll-free 800-292-2550. Atypical Providers may phone toll-free 800-979-4662.

An electronic copy of this document is available at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Policy, Letters & Forms.

## Approved

A handwritten signature in black ink that reads "Meghan E. Groen". The signature is written in a cursive style with a large initial "M" and "G".

Meghan E. Groen, Director  
Behavioral and Physical Health and Aging Services Administration

**Continuous Glucose Monitor & Supplies**

<b>HCPCS</b>	<b>Description</b>	<b>Product Examples</b>	<b>Limits</b>
E2103	Nonadjunctive, nonimplanted continuous glucose monitor/receiver (these are known as therapeutic CGMS. The person does not need to test blood glucose prior to making a treatment decision).	Dexcom & Freestyle Libre Systems 2 and 3 monitor products	1 per 3 years
A9274	Disposable external insulin pumps deliver a constant and continuous infusion of insulin, driven by mechanical force, into the subcutaneous space via a needle or soft cannula. Each, includes all supplies and accessories	Omnipod & CeQur products	Initial Kit: 1 per 5 years includes 1 controller + 16 pods  Ongoing: 15 pods per month
A4239	Supply allowance for non-adjunctive CGM. Includes all supplies and accessories	Dexcom & Freestyle Libre	1 month supply = 1 unit