

MEDICAID FUNDING FOR MEDICAL EQUIPMENT BY DISABILITY RIGHTS IOWA¹

Question: I am a 55-year old adult with significant arthritis in my knee. I receive home health services through a Medicaid managed care organization. I visited my physician and he has written a letter that states that I cannot walk more than 10 feet even with a walker or crutches. I would like to get a wheelchair to go shopping, use public transportation, and visit family and friends. I currently do not work. How can I work with my Medicaid managed care organization to get them to pay for a power wheelchair which costs approximately \$4000?

Brief Answer:

If you meet the requirements outlined in this factsheet, your MCO must cover a wheelchair, accessories, and modifications when necessary for mobility. You will need to provide supporting documentation. Follow the steps below to submit a preauthorization request. Seek the assistance of your doctor, physical therapist, and case manager if you have one. Call your MCO member support line with any questions. If your MCO decides not to authorize the expense, you can appeal the decision. See the information on appealing MCO decisions later in this fact sheet.

Discussion:

How does Medicaid define “medical supplies, equipment or appliances”?

Home health services are a benefit under Medicaid. Home health services include medical supplies, equipment and appliances. You do not need to have a home health aide, nursing services or physical, occupational or speech therapy in order to have Medicaid fund medically necessary supplies, equipment or appliances.

The federal government recently issued new rules for Medicaid home health services, effective July 1, 2017.² The rule states that “medical supplies, equipment, and appliances” must be covered under home health services.³ Below are the definitions of each of these items:

Supplies are health care related items that are:

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² The U.S. Department of Human Services, Centers for Medicare and Medicaid Services issued the final rule “Medicaid Program; Face-to-Face Requirements for Home Health Services; Policy Changes and Clarifications Related to Home Health; Final Rule, 42 CFR Part 440, 81 FR 5529. The complete rules can be found at <https://www.federalregister.gov/documents/2016/02/02/2016-01585/medicaid-program-face-to-face-requirements-for-home-health-services-policy-changes-and->

³ 42 CFR §440.70(b).

- consumable or disposable, or cannot withstand repeated use by more than one individual,
- required to address an individual medical disability, illness or injury.⁴

Equipment and appliances are items that:

- are primarily and customarily used to serve a medical purpose,
- generally not useful to an individual in the absence of a disability, illness or injury,
- can withstand repeated use, and
- can be reusable or removable.⁵

Importantly, under the new rules, “medical supplies, equipment and appliances” are no longer restricted to Medicaid beneficiaries who are homebound.⁶ Instead, they can be used “in any setting in which normal life activities take place, other than a hospital, nursing facility, intermediate care facility for individuals with intellectual disabilities or

Medicaid coverage of equipment and appliances is not restricted to the items covered as durable medical equipment in the Medicare program.⁷ Although we are using the terms “equipment or appliances,” please know that your doctors, vendors and managed care organizations may use the term “durable medical equipment” or “assistive technology devices and services” to generally mean the same thing.

How do I request equipment?

Iowa requires some medical equipment, supplies and other benefits to have prior authorization in order to obtain Medicaid reimbursement. This means that the Medicaid beneficiary, typically in conjunction with a Medicaid-enrolled equipment supplier, must request that the state Medicaid agency approve the equipment before it is received. In Iowa, if the member is under managed care, the request for prior authorization must be submitted to their managed care organization (MCO). The policy guidelines for AmeriHealth, one of the MCOs in Iowa, state that there must be prior approval for any equipment over \$750.

Although Iowa rules do not require preauthorization for every type of equipment, most equipment providers prefer to submit prior authorization to the MCO to be sure that they will be reimbursed the cost of the equipment if they order it. The individual or equipment supplier will need to be familiar with the MCO’s prior authorization process. Prior authorization reviewers will determine if the equipment is covered under Medicaid and whether it is medically necessary. An item is necessary when it addresses the individual’s medical or functional needs and there is no less costly, equally effective alternative.

⁴ 42 CFR 440.70(b)(3)(i).

⁵ 42 CFR §440.70(b)(3)(ii).

⁶ 42 CFR §440.70(c)(1).

⁷ 42 CFR §440.70(b)(3)(ii).

Generally a prior authorization will include supporting documents such as a physician's prescription or an evaluation that identifies the specific equipment needed and why it is medically necessary. The new federal home health regulations require that the physician or specified non-physician practitioners, including nurse practitioners, and physician assistants, document that he or she has conducted a face-to-face interview with the beneficiary.⁸ The face-to-face encounter must be related to the primary reason the beneficiary requires medical equipment and must occur no more than 6 months prior to the start of the service.⁹ The face-to-face encounter may occur through telehealth, as implemented by the state.¹⁰ If the non-physician practitioners conduct the face-to-face encounter, they must communicate their clinical findings to the ordering physician and be incorporated into a written or electronic document included in the beneficiary's medical record.¹¹

Under Iowa law, the specific information required in the request will also vary depending on the equipment requested, but must include the Medicaid member's name, diagnosis, prognosis, item(s) to be dispensed, quantity and length of time the item is to be required and shall include the signature of the prescriber and the date of signature.¹² To assure clinical correlation between the face-to-face encounter and the medical equipment, the physician responsible for ordering the equipment must document the face-to-face encounter, verify that it occurred no more than 6 months prior to the start of the services, indicate who the practitioner was that conducted the encounter and the date of the encounter.¹³

Devices have been denied for lack of information required, so make sure to include all the relevant information. The guidelines can be found in the Iowa Administrative Code or in the Medicaid provider manuals.

The MCO will not only review the request to determine if the equipment is medically necessary, but also if it is a reasonable expenditure for the Medicaid program. The following considerations enter into the determination of reasonableness:

- Whether the expense of the item to the program would be clearly disproportionate to the therapeutic benefits which could ordinarily be derived from use of the item;
- Whether the item would be substantially more costly than a medically appropriate and realistically feasible alternative pattern of care; and
- Whether the item serves essentially the same purpose as an item already available to the beneficiary.¹⁴

⁸ 42 CFR §440.70(f)(5)(i).

⁹ 42 CFR §440.70(f)(2).

¹⁰ 42 CFR §440.70 (f)(6).

¹¹ 42 CFR §440.70(f)(4).

¹² IAC. §441-78.10(1)

¹³ 42 CFR §440.70(f)(5)(i) and (ii); §440.70(f)(2).

¹⁴ IAC §441-78.10(b)(2).

If the item requested does not require prior authorization, then a claim can be submitted for reimbursement and should include supporting documentation. If you are unsure if the item requires prior authorization, submit a request for prior authorization to be safe.

How do I appeal an adverse decision from the MCO?

If the MCO denies your request for the AT device, the MCO is required to send you a written notice. The notice from the MCO should include a stated reason for their decision and an explanation of the individual's right to request an appeal with the MCO. In Iowa, you must file an appeal with the MCO first before you can request a hearing before an Administrative Law Judge. Appeals need to be in writing and submitted within the appropriate timeline (60 days from the date on the letter) or the appeal will be rejected

a. What do I submit to the MCO with my written appeal?

You can write out the reasons why you need the equipment and resubmit any medical records or other documents that support why you need the equipment you are requesting. Resend this information even if you believe the MCO should already have it as some MCO departments do not obtain information from other departments and only look at the information you submit.

b. The MCO denied the appeal again. What else can I do?

Once the MCO has made a decision on the appeal, the MCO will send you a written notice and it will include information how to appeal to a state fair hearing. If you continue to disagree with the decision, you can request a state fair hearing within 120 days of the date of the decision. This means you will have a hearing before an Administrative Law Judge (ALJ). Most hearings are by telephone unless you specify you would like an in-person hearing. Most MCOs will have an attorney representing their organization at the hearing. You can appear by yourself or have an attorney represent you. Be prepared to discuss your case and answer questions from the MCO's attorney and from the ALJ. You will have the opportunity to submit exhibits, call witnesses and cross-examine any adverse witnesses.

It is important to understand the reason for the denial of the AT device in the MCO's notice as that will be the issue at the hearing. For example, if the device is denied as not medically necessary, be prepared to provide information or have the medical provider testify why they recommended the device and to explain why the MCO's determination of medical necessity is incorrect.

The ALJ does not rule on the day of the hearing. They will mail you a written decision usually within a few weeks of the hearing date.

Both parties may appeal the ALJ's proposed decision so read the decision carefully for additional appeal rights.

Need More Help?

This guide is intended to get you on the path toward getting approval for your assistive technology. However, you might still have questions that have not been addressed. Below are additional resources available if you need further assistance.

→Iowa Medicaid Member Health Services

Even though MCOs manage and coordinate most Medicaid members' healthcare needs, Iowa Medicaid Enterprise (IME) still has a role. IME Member Services is a customer service line equipped to assist you with questions specifically related to Medicaid. If a representative is not able to answer your question or assist you directly, they will refer you to the appropriate resource(s). IME Member Services is also available by email and mail and has services to communicate if you do not speak English, are deaf, or are hard of hearing.

Phone: 1-800-338-8366 Email: imemberservices@dhs.state.ia.us

→MCO Member Services

If you are a managed care member, you have access to your managed care organization's (MCO) member services. If you have an issue, concern, or question about your care, your MCO should be your first point of contact. Your MCO's member services department includes a dedicated helpline staffed with trained individuals knowledgeable about your MCO and equipped to handle a variety of member questions. Member services is also available by email and mail and has services to communicate if you do not speak English, are deaf, or are hard of hearing.

Amerigroup

Phone: 1-800-600-4441 (voice and TTY/TDD/relay)

Email: MPSWeb@amerigroup.com Website: <http://www.myamerigroup.com/IA>

AmeriHealth Caritas Iowa, Inc.

Phone: 1-855-332-2440 TTY/TDD: 1-844-214-2471

Email: members@amerihealthcaritas.com

Website: <http://www.amerihealthcaritas.com>

UnitedHealthcare Plan of the River Valley, Inc.

Phone: 1-800-464-9484 Website: <http://www.uhccommunityplan.com/>

→Disability Rights Iowa

Disability Rights IOWA (DRI) is an independent nonprofit law firm that provides services to defend and promote the human and legal rights of Iowans who have disabilities and mental illness. The cases DRI accepts are based on the areas of focus set by DRI's board of directors and currently include protection and advocacy activities related to obtaining assistive technology.

Phone: 1-800-779-2502

Relay: 711

Email: info@driowa.org

Website: <http://www.disabilityrightsiowa.org>

→**Easter Seals Iowa Assistive Technology Program**

The Easter Seals Iowa Assistive Technology Program helps Iowans learn about and access the assistive technology (AT) they need as part of their daily lives to learn, work, play, and participate in community life safely and independently. Easter Seals offers an equipment loan program. Its team members can support you in identifying possible technology solutions to meet your needs.

Phone: 1-866-866-8782

TTY: 515-289-4069

Email: atinfo@eastersealsia.org

Website: <http://www.iowaat.org/>

→**National Assistive Technology Project**

The National Assistive Technology Project is a program of Neighborhood Legal Services. It provides advocacy resources for obtaining assistive technology.

Phone: (716) 847-0650

Website: <http://nls.org/Disability/NationalAssistiveTechnologyProject>