



State of New Jersey  
Department of Human Services  
Division of Medical Assistance & Health Services

# NEWSLETTER

Volume 12 No. 62

July 2002

**TO:** Providers of Pharmaceutical Services, Medical Suppliers – **For Action**  
Health Maintenance Organizations – **For Information Only**

**SUBJECT:** **Maximum Fee Allowances for Diabetic Testing Supplies**

**EFFECTIVE:** **Claims with service dates on or after May 1, 2002**

**PURPOSE:** To notify medical suppliers of the assignment of new Medicaid maximum fee allowances for HCPCS procedure codes A4253, A4259 and A4256. These procedure codes represent blood glucose test strips, lancets, and glucose monitor control solutions, respectively.

**BACKGROUND:** The vast majority of diabetic testing supplies are billed to Medicaid as pharmacy claims. However, with implementation of the Medicaid-Medicare covered drug initiative, these services, when provided to beneficiaries with both Medicare and Medicaid coverage, must be billed to Medicare prior to submitting these claims to Medicaid as medical supply claims.

In order to expedite the processing of these medical supply claims by Medicaid, avoiding the need for pricing attachments (i.e. "by report" pricing), the New Jersey Division of Medical Assistance and Health Services is assigning new maximum fee allowances for HCPCS procedure codes A4253, A4259 and A4256. These fees are consistent with those assigned by Medicare and the prior payment experience of the Medicaid program.

**ACTION:** **Effective for medical supply claims with service dates on or after May 1, 2002**, the following Medicaid maximum fee allowances shall apply:

HCPCS Code	Description	Maximum Fee Allowance
A4253	Blood glucose test or reagent strips for home blood glucose monitor, per 50 strips	\$38.32
A4256	Normal, low and high calibrator solution/chips	\$9.31
A4259	Lancets, per box	\$12.19

If you have any questions concerning this Newsletter, please contact Unisys Provider Services at 1-800-776-6334 or the Chief, Pharmaceutical Services, DMAHS, at (609) 588-2724.

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