



# NEWSLETTER

Volume 9 No. 68

November 1999

**TO:** Providers of Medical Supplies – For Action  
 Health Maintenance Organizations – For Information Only

**SUBJECT:** New HCPCS Procedure Code and Maximum Fee Allowance for Certain Large/Extra-Large Adult Diapers/Briefs

**EFFECTIVE:** Claims with dates of service on or after November 1, 1999

**PURPOSE:** To notify medical suppliers of a new HCPCS procedure code and Medicaid/NJ KidCare maximum fee allowance for large or extra-large adult diapers/briefs with elasticized waistbands

**BACKGROUND:** The Division of Medical Assistance and Health Services (DMAHS) recently announced changes in billing procedures and Medicaid/NJ KidCare reimbursement for diapers/briefs, any size (see Medicaid Newsletter Vol. 9, No. 41, dated July 1999). The maximum fee allowance of \$0.70 per unit was based on the average cost of a diaper/brief, regardless of the size of the product.

Due to difficulties experienced by medical suppliers in acquiring large or extra-large adult diapers/briefs with elasticized waistbands at a cost below \$0.70 per unit, DMAHS is establishing a new HCPCS procedure code and maximum fee allowance only for these sizes and types of adult diapers/briefs.

**ACTION:** Effective for claims with dates of service on or after November 1, 1999, DMAHS is establishing the following HCPCS procedure code and Medicaid/NJ KidCare maximum fee allowance:

<u>HCPCS</u>	<u>DESCRIPTION</u>	<u>MAXIMUM FEE ALLOWANCE</u>
X7533	Adult Diapers/Briefs with Elasticized Waistbands, Large or Extra-Large	\$0.90

Medical suppliers are advised that billing of HCPCS procedure code X7533 is limited to claims for large or extra-large adult diapers/briefs with elasticized waistbands only. For diapers/briefs of any other size or type, suppliers are required to bill HCPCS procedure code X7520 (\$0.70 per unit).

**The use of HCPCS procedure code X7533 for billing for diapers/briefs of any other size and type other than defined above will be subject to recoupment by DMAHS.**

Medical suppliers are also advised that the prior authorization requirement that applies to other adult disposable diapers/briefs shall apply equally to this new HCPCS for the large and extra-large sizes. (Please refer to N.J.A.C. 10:59-1.6 and Appendix A)

Please insert the attachments to this Newsletter in subchapter 2 and the Appendix A of your Medical Suppliers Services manual.

If you have any questions concerning this Newsletter, please do not hesitate to contact Unisys Provider Services at 1-800-776-6334 or the Chief of Pharmaceutical Services at (609) 588-2724.

**RETAIN THIS NEWSLETTER NUMERICALLY BEHIND THE NEWSLETTER TAB  
(BLUE TAB MARKED "5")**

SUBCHAPTER 2 HCFA COMMON PROCEDURE CODING SYSTEM (HCPCS)

10:59-2.3 HCPCS Procedure Codes and Maximum Fee Allowance Schedule for medical supplies and durable medical equipment

<u>HCPCS</u>	<u>DESCRIPTION</u>	<u>MAXIMUM FEE ALLOWANCE</u>
X7533	Adult Diapers/Briefs with Elasticized Waistbands, Large or Extra-Large	\$0.90

APPENDIX A

SERVICE STATUS AND PA REQUIREMENTS FOR HCPCS CODES

<u>PROC CODE</u>	<u>DME RENT IND</u>	<u>DME PURCH IND</u>	<u>PA IND</u>
X7533	N	M	A