



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

MEDICAID ALERT

September 1992

TO: Medical Suppliers

SUBJECT: Clarification of Billing Instructions for Reporting Durable Medical Equipment Rental Units

EFFECTIVE: Immediately

BACKGROUND: The purpose of this Medicaid Alert is to clarify the billing instructions for reporting durable medical equipment (DME) rental units in Field 24F (Days or Units) on the 1500 N.J. claim form (Health Insurance Claim Form). The Medicaid program reimburses medical suppliers for the monthly rental of certain durable medical equipment (see New Jersey Health Services Program Newsletter Volume 2 No. 8). In some cases, medical suppliers are reporting the number of months rented as the number of rental days. This results in improper payment to medical suppliers for these rental services.

ACTION: The provider should complete the claim form as described in the Fiscal Agent Billing Supplement. The number of rental months must be reported in Field 24F on the claim form as the number of months rented (e.g., one month's rental = 1, two month's rental = 2).

Do not report the number of months rented as the number of days rented.

EXCEPTION: Claims for durable medical equipment reimbursed at a daily rental fee, i.e., decubitus beds, X0125 and X0128, may be billed using one day rental as one unit of service.

If you have any questions regarding this Medicaid Alert, please contact Edward J. Vaccaro, R.Ph., Chief Pharmacy Consultant, at (609) 588-2724.

RETAIN THIS MEDICAID ALERT AT THE END OF YOUR FISCAL AGENT BILLING SUPPLEMENT