



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

MEDICAID ALERT

MA-98-2

February 1998

TO: Providers of Durable Medical Equipment (DME) and Prosthetic and Orthotic (P&O) Services

SUBJECT: Clarification of Edits 640, 642, 666, and 669

EFFECTIVE: Immediately

BACKGROUND: This Medicaid Alert will redefine and clarify four edits used in pricing certain DME and P&O services. These changes will give more specific explanations as to the documentation that is needed by the Fiscal Agent to process these claims. For purposes of this Medicaid Alert, the following definitions apply:

MANUFACTURER'S PRICE LIST: A copy of a page from the manufacturer's catalog showing the item, model number, unit/package breakdown, wholesale and/or retail price.

INVOICE: An itemized list of goods shipped from a manufacturer or distributor to a provider, listing the item on the claim, model number, quantities, breakdown of package size, and the price of the item. It must show the name of the Vendor or Distributor and the Name/Provider to whom the item was shipped. An invoice will include an invoice number.

ACTION: For the following edits, the provider is requested to initiate the following actions:

EDIT 640 - CLAIM REQUIRES MANUAL PRICING, PRICING DOCUMENT IS INCOMPLETE OR ILLEGIBLE

This claim must be manually priced and the invoice and/or price list were incomplete or illegible. Attach a complete and legible copy of the invoice and/or price list. Circle or underline (do not highlight) the billed item. Resubmit the claim.

EDIT 642 - RESUBMIT CLAIM WITH MANUFACTURER'S PRICE LIST OR INVOICE

This claim must be manually priced and the price list or invoice must be attached. It is very important to underline or circle the item in question (never use a highlighter).

EDIT 666 - UNABLE TO PRICE CLAIM/BREAKDOWN TO UNIT PRICE

This item needs to be billed per unit according to the breakdown of the package size in units. For example: the invoice/price list gives a price per case, but does not state the number of units per case. Therefore, a price per unit cannot be determined.

EDIT 669 - DETAILED DESCRIPTION NEEDED FOR PROCEDURE CODE BILLED. IDENTIFY SPECIFIC ITEM.

After review, it was determined that a detailed description of the item is required. This edit is posted when the item description on the claim (or itemized page) does not match the corresponding data on the invoice or price list. The description must include the name of the item (exactly as it is recorded on the invoice or price list) and the model, serial or catalog number. The listing on the itemized page must include:

- The sequential number of the item, entered next to the circled data on the corresponding page of the invoice or price list.
- The name of the specific item, exactly as it is recorded on the price list or invoice.
- The model number, the serial number or the catalog number exactly as it is recorded on the invoice or price list.
- The quantity, the unit charge and the total item charge.

It is important to know that if you have been reimbursed by the Medicaid program for some of the items that belong to a specific "NOC (Not Otherwise Classified)" code but not all of the items, you must submit an adjustment. It is essential that the itemized page and price list or invoice include the items for which you have already received Medicaid reimbursement as well as those for which you have not been paid.

If there are any questions concerning this Medicaid Alert, please do not hesitate to contact the Chief, Pharmaceutical Services, at (609) 588-2724, or Unisys Provider Services at (800) 776-6334.

**RETAIN THIS MEDICAID ALERT CHRONOLOGICALLY BEHIND THE ALERTS TAB
(GREEN TAB MARKED "4")**