



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

# MEDICAID ALERT

MA-98-3

March 1998

**TO:** Medical Suppliers - For Action  
 Health Maintenance Organizations (HMOs) - For Information

**SUBJECT:** Changes to the Medical Procedure Code File

**EFFECTIVE:** Claims with service dates on or after February 1, 1998

**BACKGROUND:** In accordance with the New Jersey Administrative Code (N.J.A.C.), 10:59-1.8, Medicaid-covered Durable Medical Equipment (DME) is considered purchased following the payment of six (6) monthly rental payments for equipment with a maximum fee allowance of \$100.00 or less. For equipment with a maximum fee allowance greater than \$100.00 and also for equipment priced "by report," a purchase is considered by Medicaid when ten (10) monthly rental payments have been made.

**ACTION:** For claims with service dates on or after February 1, 1998, the Division of Medical Assistance and Health Services (DMAHS) is changing the rental/purchase status of several DME procedure codes.

Medicaid reimbursement for the following DME procedure codes shall be limited to monthly rental payments:

- |       |       |
|-------|-------|
| B9004 | B9006 |
| E0781 | E0791 |
| E0601 | E0452 |

If you have any questions regarding this Alert, please contact Unisys Provider Services at 1-800-776-6334, or the Chief Pharmaceutical Consultant, Division of Medical Assistance and Health Services, at (609) 588-2724.

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

