

PROVIDER COMPLIANCE TIPS FOR GLUCOSE MONITORS & DIABETIC ACCESSORIES/SUPPLIES



UPDATES

- Replaced the earlier year's data with 2019
- Updated "Reasons for Denials"
- Updated details "To Prevent Denials"

INTRODUCTION

This publication is meant to educate providers on coverage and proper billing of glucose monitors and diabetic accessories and supplies.

PROVIDER TYPES AFFECTED

Durable medical equipment (DME) suppliers, physicians, and other practitioners who write prescriptions for glucose monitors and diabetic accessories and supplies

BACKGROUND

The 2019 Medicare Fee-for-Service (FFS) improper payment rate for glucose monitors was 32.8 percent, is a projected improper payment amount of \$74,021,564 million.¹

The DME benefit [Social Security Act §1861(s)(6)] covers home blood glucose monitors (BGM), therapeutic continuous glucose monitors (CGM), and diabetic accessories and supplies. For a beneficiary's DME to be eligible for reimbursement, the reasonable and necessary requirements must be met, based on the requirements set out in the [National Coverage Determination \(NCD\) for Home Blood Glucose Monitors \(40.2\)](#) and [Local Coverage Determination \(LCD\): Glucose Monitors \(L33822\)](#).

The Office of Inspector General (OIG) report OEI-04-11-00330 found that Medicare made improper payments for Diabetic Test Strips (DTS). Per Medicare's NCD 40.2, DTS must be medically proper considering the beneficiary's diagnosis and ability to self-test, and to be for in-home use only.

REASONS FOR DENIALS

For the 2019 reporting period, insufficient documentation accounted for 68.6 percent of improper payments for glucose monitors. Additional types of errors for glucose monitors include incorrect coding (18.4 percent), medical necessity (3.7 percent), and other (9.3 percent).¹

For diabetic testing strips, denials are frequently due to suppliers submitting claims with at least one of three types of errors: claims without a documented diagnosis code for diabetes, claims that overlapped with an inpatient hospital stay, and claims overlapping with a Skilled Nursing Facility (SNF) stay.

(1) [2019 Medicare Fee-for-Service Supplemental Improper Payment Data](#)

TO PREVENT DENIALS

Home Blood Glucose Monitors

To be eligible for coverage of home blood glucose monitors (BGM) and related accessories and supplies, the beneficiary must meet both of the following basic criteria:

1. The beneficiary has diabetes (Reference the ICD-10 Codes that Support Medical Necessity section for applicable diagnoses in LCD [L33822](#))
2. The beneficiary's physician concludes that the beneficiary (or the beneficiary's caregiver) has sufficient training using the particular device prescribed as shown by providing a prescription for the appropriate supplies and frequency of blood glucose testing

For all glucose monitors and related accessories and supplies, if the basic coverage criteria (items 1 and 2 above) are not met, the item(s) will be denied as not reasonable and necessary.

When Medicare covers a glucose monitor for a beneficiary, lancets (code A4259), blood glucose test reagent strips (code A4253), glucose control solutions (code A4256), and spring powered devices for lancets (code A4258) are also covered.

More than one spring powered device (code A4258) per 6 months is not reasonable and necessary.

Usual Utilization

For a beneficiary who is not currently being treated with insulin injections, up to 100 test strips and up to 100 lancets every 3 months are covered if the basic coverage criteria (1)-(2) (above) are met.

For a beneficiary who is currently being treated with insulin injections, up to 300 test strips and up to 300 lancets every 3 months are covered if basic coverage criteria (1)-(2) (above) are met.

High Utilization

For a beneficiary who is not currently being treated with insulin injections, more than 100 test strips and more than 100 lancets every 3 months are covered if criteria (a) – (c) below are met.

For a beneficiary who is currently being treated with insulin injections, more than 300 test strips and more than 300 lancets every 3 months are covered if criteria (a) – (c) below are met.

- a. Basic coverage criteria (1)-(2) listed above for all home glucose monitors and related accessories and supplies are met
- b. Within the six (6) months prior to ordering quantities of strips and lancets that exceed the utilization guidelines, the treating practitioner has had an in-person visit with the beneficiary to evaluate their diabetes control and their need for the specific quantity of supplies that exceeds the usual utilization amounts described above
- c. Every six (6) months, for continued dispensing of quantities of testing supplies that exceed the usual utilization amounts, the treating practitioner must verify adherence to the high utilization testing regimen

If neither basic coverage criterion (1) or (2) is met, Medicare (or whoever) will deny all testing supplies as not reasonable and necessary. If you give quantities of test strips or lancets that exceed the utilization guidelines and criteria (c) aren't met, Medicare (or whoever) will deny the amount in excess as not reasonable and necessary.

Continuous Glucose Monitors

[CMS-Ruling 1682-R](#) defines Continuous Glucose Monitors (CGM) covered by Medicare under the DME benefit, as therapeutic. When a CGM device doesn't meet the definition of a therapeutic CGM, as defined in CMS Ruling 1682R, Medicare denies the devices as non-covered (no benefit).

Medicare covers therapeutic CGMs and related supplies when you meet all of the following coverage criteria:

1. The beneficiary has diabetes mellitus (Reference the ICD-10 Codes that Support Medical Necessity section for applicable diagnoses in LCD [L33822](#))
2. The beneficiary uses a BGM and performs frequent (four or more times a day) testing
3. The beneficiary is insulin-treated with multiple (three or more) daily injections of insulin or a Medicare-covered continuous subcutaneous insulin infusion (CSII) pump
4. The beneficiary's insulin treatment regimen requires frequent adjustment by the beneficiary on the basis of their BGM or CGM testing results
5. Within six (6) months prior to ordering the CGM, the treating practitioner has an in-person visit with the beneficiary to evaluate their diabetes control and decided that criteria (1-4) above are met
6. Every six (6) months following the initial prescription of the CGM, the treating practitioner has an in-person visit with the beneficiary to assess adherence to their CGM regimen and diabetes treatment plan

The provider (or whoever) bills the supply allowance (code K0553) as one Unit of Service (UOS) per month. The provider (or whoever) may bill only one UOS of code K0553 to the DME MACs at a time. Medicare (or whoever) will deny billing more than one UOS per month of code K0553 as not reasonable and necessary.

Claims for a BGM and related supplies, billed in addition to an approved CGM device (code K0554) and associated supply allowance (code K0553), will be denied. Please see LCD [L33822](#) for additional information on how to prevent denials.

RESOURCES

Table 1. Glucose Monitors and Diabetic Accessories and Supplies Resources

RESOURCE	WEBSITE
The 2019 Medicare Fee-for-Service Supplemental Improper Payment Data (Data from Claims Submitted: July 1, 2017– June 30, 2018)	https://www.cms.gov/files/document/2019-medicare-fee-service-supplemental-improper-payment-data.pdf
Inappropriate and Questionable Medicare Billing for Diabetes Test Strips OEI-04-11-00330, another OIG report	http://oig.hhs.gov/oei/reports/oei-04-11-00330.pdf

RESOURCE	WEBSITE
Local Coverage Determination (LCD): Glucose Monitors (L33822)	https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=33822&ver=26&-Date=07%2f20%2f2020&DocID=L33822&b-c=hAAAAAgAAAA&
Medicare Coverage of Diabetes Supplies and Services, a publication for beneficiaries	https://www.medicare.gov/Pubs/pdf/11022-Medicare-Diabetes-Coverage.pdf
National Coverage Determination (NCD) for Home Blood Glucose Monitors (40.2)	https://www.cms.gov/medicare-coverage-database/details/ncd-details.aspx?NCDId=222&ncdver=2&Is-Popup=y&NCAId=35&NcaName=Home+Blood+Glucose+Monitors&bc=AAAAAAAAIAAA&
Review of Medicare Claims for Home Blood-Glucose Test Strips and Lancets - Durable Medical Equipment Medicare Administrative Contractor for Jurisdiction C (A-09-08-00045), a report from the Office of the Inspector General (OIG)	http://oig.hhs.gov/oas/reports/region9/90800045.pdf
Social Security Act 1861(s)(6)	https://www.ssa.gov/OP_Home/ssacttitle18/1861.htm

Please [Contact your MAC](#) for any updates or changes to the Policy Article (PA) and the LCD regarding policy and general documentation requirements.

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