

Incontinence and Medical/ Surgical Supply Prior Authorization Process





Objectives

- Understand the HUSKY Health program's Prior Authorization process
- Comprehend the Pricing Policy of the Department of Social Services (DSS) for manually priced goods established March 1, 2015
- Access the DSS Fee Schedule
- Reduce administrative burden associated with the prior authorization process
- Improve provider satisfaction with the prior authorization process



Overview



Overview

- All HUSKY Health members are eligible to receive healthcare services or goods from Connecticut Medical Assistance Program (CMAP) enrolled providers
- ***Only CMAP enrolled providers will be reimbursed*** for services or goods provided to HUSKY Health members
- All ordering, prescribing, or referring providers must be enrolled as either an ordering/prescribing/referring (OPR) or CMAP provider
- All determinations are made on the basis of medical necessity and must be in compliance with the Definition of Medical Necessity, regulation 17b-259b



Overview (cont.)

- Community Health Network of Connecticut, Inc. (CHNCT) has up to 14 calendar days to review the prior authorization request and notify the provider of their decision
- If additional information is requested by CHNCT, the provider has up to 20 business days to submit the requested information
- Determinations are made based on a case-by-case individual clinical assessment of the member and his/her clinical needs



Prior Authorization Requirements

- Requests reviewed in accordance with procedures for reviewing requests for incontinence, medical, and surgical supplies
- Coverage determinations based upon a review of requested and/or submitted case-specific information
- Authorization based on medical necessity at the time the authorization is issued and is not a guarantee of payment
- Payment based on the member having active coverage, benefits, and policies in effect at the time of service

Definition of Medical Necessity

- Section 17b-259b
- “Medical Necessity” (or “Medically Necessary”) means those health services required to prevent, identify, diagnose, treat, rehabilitate or ameliorate an individual’s medical condition; including mental illness, or its effects, in order to attain or maintain the individual’s achievable health and independent functioning provided such services are:
 - (1) Consistent with generally-accepted standards of medical practice that are defined as standards based on:
 - (A) Credible scientific evidence published in peer-reviewed medical literature that is generally recognized by the relevant medical community
 - (B) Recommendations of a physician-specialty society
 - (C) The views of physicians practicing in relevant clinical areas
 - (D) Any other relevant factors



Definition of Medical Necessity (cont.)

- (2) Clinically appropriate in terms of type, frequency, timing, site, extent and duration, and considered effective for the individual's illness, injury or disease
- (3) Not primarily for the convenience of the individual, the individual's healthcare provider, or other healthcare providers
- (4) Not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of the individual's illness, injury, or disease
- (5) Based on an assessment of the individual and his/her medical condition

All final determinations of medical necessity must be based upon this statutory definition



Medical Necessity Denial

- All prior authorization requests for DME must meet the following requirements:
 - Definition of Durable Medical Equipment (DME)
 - Definition of Medical Necessity



Lack of Information Denial

- A Lack of Information Denial (LOI) will result when attempts to obtain additional required clinical information to perform a medical necessity review have been unsuccessful
- An LOI Denial will be issued by the medical reviewers on the 20th business day from the original request submission
- After an LOI Denial is issued, providers may submit a new prior authorization request once the necessary clinical information is obtained
- The new prior authorization request will go through the complete review process for medical necessity



Incontinence Supplies



Incontinence Supplies

- Incontinence supplies are not a covered benefit for members ages 0 to 2 years
- Incontinence supplies require prior authorization for members ages 3 to 12 years regardless of quantity requested
- Prior authorization is not required for members ages 13 and older if the quantity is within the limit allowed on the DSS Fee Schedule
- HUSKY B Members - Incontinence supplies are a benefit exclusion and are not covered
 - Band 1 and Band 2 members will be referred to HUSKY Plus for consideration of supplemental coverage
 - Band 3 members are not eligible for HUSKY Plus coverage



Incontinence Documentation Requirements

- A completed Outpatient Prior Authorization Request Form
- Signed prescription from the ordering physician
 - On refill requests, the physician may sign the refill order sheet
- Confirmation of diagnosis of incontinence through clinical documentation
- Confirmation of medical diagnosis causing incontinence
- Clinical documentation that outlines the medical need for supplies that exceed the allowable amount as outlined on the DSS Fee Schedule
- Additional documentation required when incontinence supplies are:
 - Needed for 2 different types of incontinence supplies (i.e., diapers and liners)
and
 - Similar supplies in different sizes

Incontinence Codes for Prior Authorization

Code	Description
T4521	Adult sized disposable incontinence product brief/diaper small
T4522	Adult sized disposable incontinence product brief/diaper medium
T4523	Adult sized disposable incontinence product brief/diaper large
T4524	Adult sized disposable incontinence product brief/diaper extra large
T4525	Adult sized disposable incontinence product protective underwear/pull-on small
T4526	Adult sized disposable incontinence product protective underwear/pull-on medium
T4527	Adult sized disposable incontinence product protective underwear/pull-on large
T4528	Adult sized disposable incontinence product protective underwear/pull-on extra large
T4529	Pediatric sized disposable incontinence product brief/diaper small/medium extra large
T4530	Pediatric sized disposable incontinence product brief/diaper large
T4531	Pediatric sized disposable incontinence product protective underwear/pull-on small
T4532	Pediatric sized disposable incontinence product protective underwear/pull-on large
T4533	Youth sized disposable incontinence product brief/diaper any size
T4534	Youth sized disposable incontinence product protective underwear/pull-on
T4535	Disposable liner/shield/guard/pad/undergarment for incontinence
T4536	Incontinence product protective underwear/pull-on reusable any size
T4537	Incontinence product protective underpad reusable bed size
T4539	Incontinence product diaper/brief reusable any size
T4540	Incontinence product protective underpad reusable chair size
T4541	Incontinence product disposable underpad large
T4542	Incontinence product disposable underpad small size
T4543	Adult sized disposable incontinence product protective brief/diaper above extra large
T4544	Adult sized disposable incontinence product protective underwear/pull-on above extra large



Medical and Surgical Supplies



Medical and Surgical Supplies

- Prior authorization is required for select Medical and Surgical Supplies
- Codes that require prior authorization can be found on the DSS Fee Schedule

Medical and Surgical Supply Required Documentation

- A completed Outpatient Prior Authorization Request Form
- Signed prescription from the ordering physician
- Confirmation of diagnosis requiring medical/surgical supplies through clinical documentation
- Clinical documentation indicating type of supplies needed
- Miscellaneous codes or codes with a “Zero” amount require documentation of:
 - *Actual Acquisition Cost (AAC)*
and
 - *Manufacturer’s Suggested Retail Price (MSRP)*



Medical and Surgical Supply Pricing and Required Information

- Use the DSS Fee Schedule to verify:
 - Which codes have a set allowable for payment
 - Which codes require manual pricing*

Required Information:

- Provider must submit both the AAC **and** MSRP
- Prior authorizations will be denied if AAC or MSRP is not provided to back up the charges

****All manually priced goods require additional pricing documentation***

Medical and Surgical Supply Codes for Prior Authorization

Code	Description
A4223	Infusion supplies not used with external infusion pump per cassette or bag
A4421	Ostomy supply; miscellaneous
A4465	Non-elastic binder for extremity
A4649	Surgical supply; miscellaneous
A6020	Collagen Based Wound Dressing Each Dressing
A6023	Collagen dressing sterile size more than 48 sq. in. each
A6501	Compression burn garment bodysuit (head to foot) custom fabricated
A6502	Compression burn garment chin strap custom fabricated
A6503	Compression burn garment facial hood custom fabricated
A6504	Compression burn garment glove to wrist custom fabricated
A6505	Compression burn garment glove to elbow custom fabricated
A6506	Compression burn garment glove to axilla custom fabricated
A6507	Compression burn garment foot to knee length custom fabricated
A6508	Compression burn garment foot to thigh length custom fabricated
A6509	Compression burn garment upper trunk to waist including arm openings (vest) custom fabricated
A6510	Compression burn garment trunk including arms down to leg openings (leotard) custom fabricated
A6511	Compression burn garment lower trunk including leg openings (panty) custom fabricated
A6512	Compression burn garment not otherwise classified
A6513	Compression burn mask face and/or neck plastic or equal custom fabricated
A6549	Gradient compression stocking/sleeve not otherwise specified

Medical and Surgical Supply Codes for Prior Authorization (cont.)

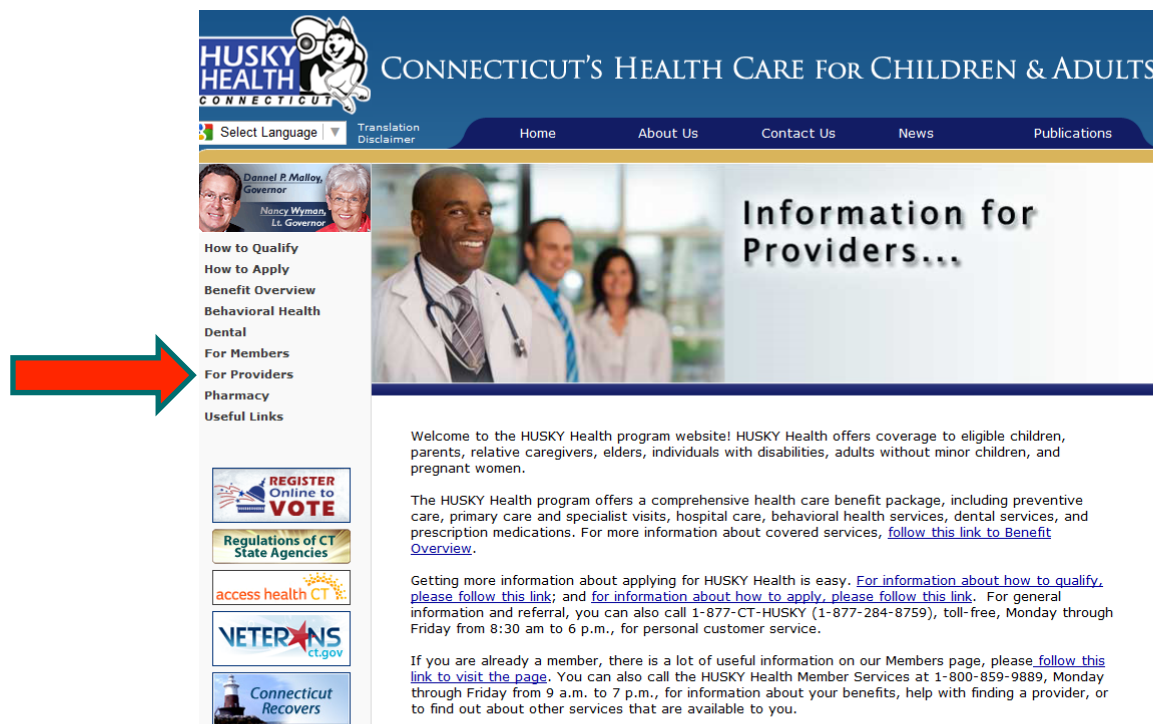
Code	Description
A7025	High frequency chest wall oscillation system vest replacement
A7047	Oral interface used with respiratory suction pump each
A8002	Helmet protective soft custom fabricated includes all components and accessories
A8003	Helmet protective hard custom fabricated includes all components and accessories
A9276	Sensor; invasive (e.g. subcutaneous) disposable for use with interstitial continuous glucose monitoring system
A9277	Transmitter; external for use with interstitial continuous glucose monitoring system
A9278	Receiver (monitor); external for use with interstitial continuous glucose monitoring system
A9900	Miscellaneous dme supply accessory and/or service component of another HCPCS code
A9999	Miscellaneous dme supply or accessory not otherwise specified



Outpatient Prior Authorization Request Form Instructions

Request Form Instructions

- Prior authorization request forms are located on the HUSKY Health website: www.ct.gov/husky, click ***“For Providers”***



The screenshot shows the HUSKY Health website for Connecticut. The header includes the HUSKY Health logo and the text "CONNECTICUT'S HEALTH CARE FOR CHILDREN & ADULTS". Below the header is a navigation bar with links: Home, About Us, Contact Us, News, and Publications. A sidebar on the left contains a list of links: How to Qualify, How to Apply, Benefit Overview, Behavioral Health, Dental, For Members, For Providers, Pharmacy, and Useful Links. A large red arrow points to the "For Providers" link. Below the sidebar are several promotional banners: "REGISTER Online to VOTE", "Regulations of CT State Agencies", "access health CT", "VETERANS ct.gov", and "Connecticut Recovers". The main content area features a large image of three healthcare providers and the text "Information for Providers...". Below this image, there is a welcome message and several paragraphs of text providing information about the HUSKY Health program, including links to "Benefit Overview", "how to qualify", and "how to apply".

HUSKY HEALTH CONNECTICUT'S HEALTH CARE FOR CHILDREN & ADULTS

Select Language | Translation Disclaimer

Home About Us Contact Us News Publications

Donnel P. Malloy, Governor
Nancy Wyman, Lt. Governor

How to Qualify
How to Apply
Benefit Overview
Behavioral Health
Dental
For Members
For Providers
Pharmacy
Useful Links

REGISTER Online to VOTE

Regulations of CT State Agencies

access health CT

VETERANS ct.gov

Connecticut Recovers

Information for Providers...

Welcome to the HUSKY Health program website! HUSKY Health offers coverage to eligible children, parents, relative caregivers, elders, individuals with disabilities, adults without minor children, and pregnant women.

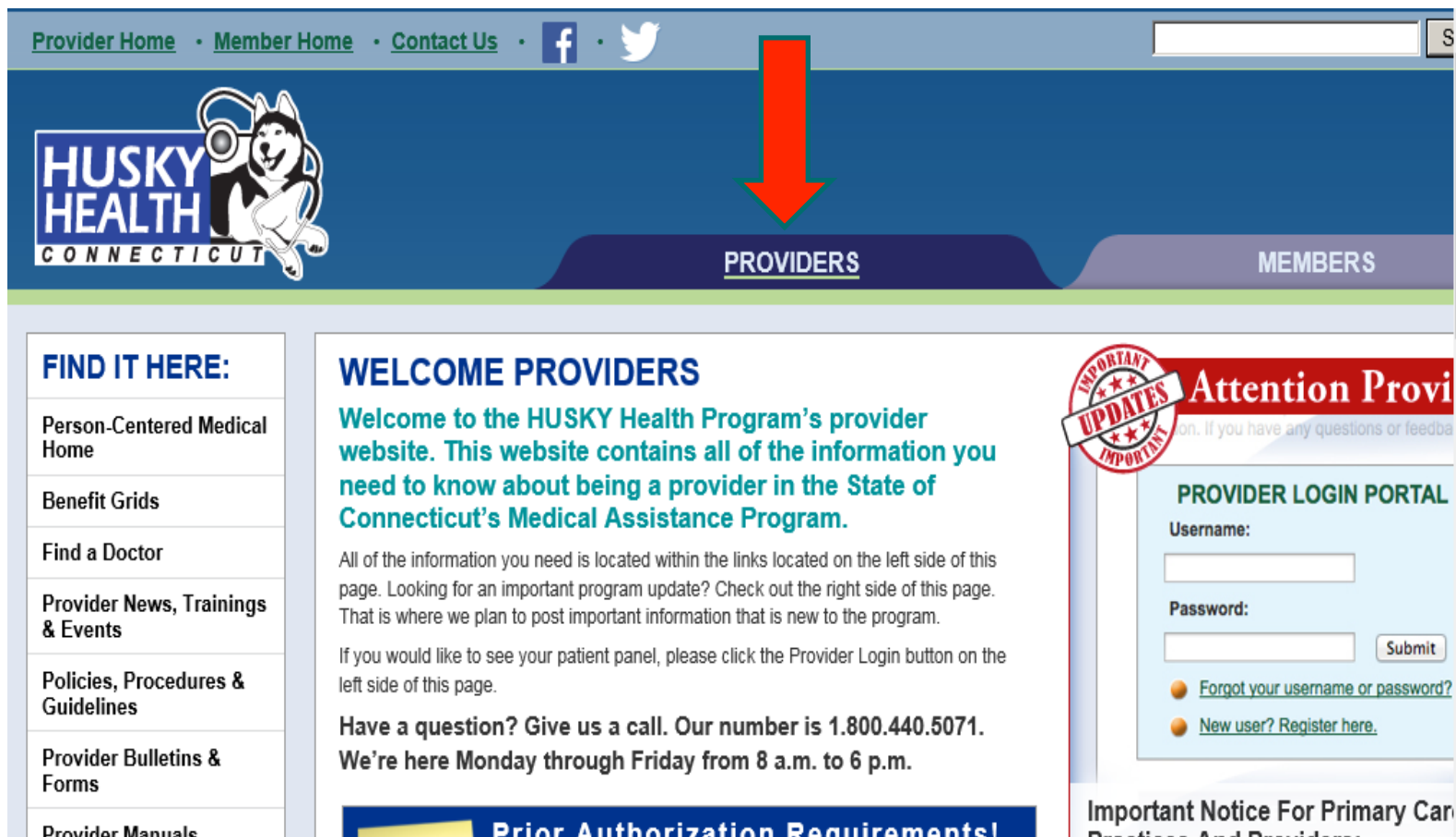
The HUSKY Health program offers a comprehensive health care benefit package, including preventive care, primary care and specialist visits, hospital care, behavioral health services, dental services, and prescription medications. For more information about covered services, [follow this link to Benefit Overview](#).

Getting more information about applying for HUSKY Health is easy. [For information about how to qualify, please follow this link](#); and [for information about how to apply, please follow this link](#). For general information and referral, you can also call 1-877-CT-HUSKY (1-877-284-8759), toll-free, Monday through Friday from 8:30 am to 6 p.m., for personal customer service.

If you are already a member, there is a lot of useful information on our Members page, please [follow this link to visit the page](#). You can also call the HUSKY Health Member Services at 1-800-859-9889, Monday through Friday from 9 a.m. to 7 p.m., for information about your benefits, help with finding a provider, or to find out about other services that are available to you.

Request Form Instructions (cont.)

- Click on the “**Providers**” tab



The screenshot shows the HUSKY Health Connecticut website. At the top, there is a navigation bar with links for [Provider Home](#), [Member Home](#), and [Contact Us](#), along with social media icons for Facebook and Twitter. A large red arrow points down to the **PROVIDERS** tab, which is highlighted in the main navigation bar. To the right of the **PROVIDERS** tab is the **MEMBERS** tab. On the left side of the page, there is a sidebar titled **FIND IT HERE:** with links to [Person-Centered Medical Home](#), [Benefit Grids](#), [Find a Doctor](#), [Provider News, Trainings & Events](#), [Policies, Procedures & Guidelines](#), [Provider Bulletins & Forms](#), and [Provider Manuals](#). The main content area is titled **WELCOME PROVIDERS** and contains a welcome message: "Welcome to the HUSKY Health Program's provider website. This website contains all of the information you need to know about being a provider in the State of Connecticut's Medical Assistance Program." Below this, it states: "All of the information you need is located within the links located on the left side of this page. Looking for an important program update? Check out the right side of this page. That is where we plan to post important information that is new to the program." It also mentions: "If you would like to see your patient panel, please click the Provider Login button on the left side of this page." At the bottom of the main content area, it says: "Have a question? Give us a call. Our number is 1.800.440.5071. We're here Monday through Friday from 8 a.m. to 6 p.m." On the right side of the page, there is a red banner with a starburst icon that says **IMPORTANT UPDATES** and the text **Attention Provi**. Below this is a section titled **PROVIDER LOGIN PORTAL** with fields for **Username:** and **Password:**, a **Submit** button, and links for [Forgot your username or password?](#) and [New user? Register here.](#) At the bottom right, there is a section titled **Important Notice For Primary Car**.

Request Form Instructions (cont.)

- Click on ***“Provider Bulletins & Forms”***

The screenshot shows the HUSKY Health Connecticut website. At the top, there is a navigation bar with links for [Provider Home](#), [Member Home](#), and [Contact Us](#), along with social media icons for Facebook and Twitter. Below this is a blue banner featuring the HUSKY Health logo and a husky mascot. The banner has two tabs: **PROVIDERS** (selected) and **MEMBERS**.

On the left side, there is a sidebar titled **FIND IT HERE:** with a list of links: [Person-Centered Medical Home](#), [Benefit Grids](#), [Find a Doctor](#), [Provider News, Trainings & Events](#), [Policies, Procedures & Guidelines](#), [Provider Bulletins & Forms](#) (highlighted with a red arrow), and [Provider Manuals](#).

The main content area is titled **WELCOME PROVIDERS** and contains the following text:

Welcome to the HUSKY Health Program's provider website. This website contains all of the information you need to know about being a provider in the State of Connecticut's Medical Assistance Program.

All of the information you need is located within the links located on the left side of this page. Looking for an important program update? Check out the right side of this page. That is where we plan to post important information that is new to the program.

If you would like to see your patient panel, please click the Provider Login button on the left side of this page.

Have a question? Give us a call. Our number is 1.800.440.5071.

Monday through Friday from 8 a.m. to 6 p.m.

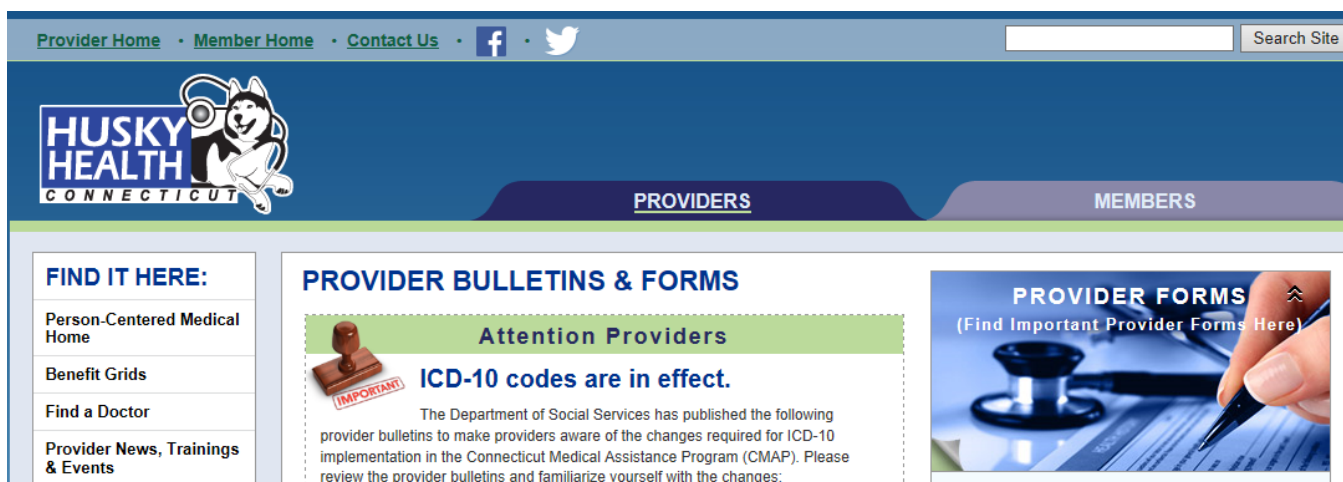
Below this text is a blue banner with the text **Prior Authorization Requirements**.

On the right side, there is a red banner with the text **Attention Provi** and a circular stamp that says **IMPORTANT UPDATES**. Below this is a **PROVIDER LOGIN PORTAL** with fields for **Username:** and **Password:**, a **Submit** button, and links for [Forgot your username or password?](#) and [New user? Register here.](#)

At the bottom right, there is a section titled **Important Notice For Primary Car**.

Request Form Instructions (cont.)

- Click on “***Outpatient Authorization Request Form***”



- [Billing Requirements to Identify a Distinct/Separate Urgent, Clinic or Emergency Visit](#) (August 17, 2015)
- [Revised Billing Instructions for Outpatient 340B Pharmacies on Outpatient Claims](#) (August 7, 2015)
- [Provider Enrollment for New CT Home Care Program Services](#) (August 7, 2015)

Authorization requests for home care and outpatient hospital based therapy only, can continue to be requested via fax by submitting the form below to 203.265.3994.

- [Outpatient Authorization Request Form](#)
- [Inpatient Surgeon Request Form](#)



Outpatient Prior Authorization Request Form



11 Fairfield Blvd., Suite 1 • Wallingford, CT 06492
800.440.5071 • Fax 203.265.3994 • www.huskyhealth.com

- Full instructions on Page 2 of form
- All boxes must be completed in order for your request to be considered for coverage

OUTPATIENT PRIOR AUTHORIZATION REQUEST FORM	
BILLING PROVIDER INFORMATION	MEMBER INFORMATION
1. Medicaid Billing Number: _____	7. Member ID Number: _____
2. Billing Provider Name: _____	8. Member Name (Last, First): _____
3. Address: _____	9. Address: _____
4. City, State Zip: _____	10. City, State, Zip: _____
5a. Contact Name/Telephone Number: _____	11. Date of Birth (MM/DD/YYYY): _____
5b. Contact Fax Number: _____	12. Sex: <input type="checkbox"/> Male <input type="checkbox"/> Female
6. Name, Address and Medicaid ID Number of Referring MD: _____	13. Primary Diagnosis Code: _____
	14. Estimated Delivery Date (DME ONLY) (MM/DD/YYYY): _____

15. Authorization Service Requested (Check only one from the list below):			
<input type="checkbox"/> Customized Wheelchair	<input type="checkbox"/> DME	<input type="checkbox"/> Genetic Testing/Lab Services	<input type="checkbox"/> Hearing Aids
<input type="checkbox"/> Home Care Program for Elders	<input type="checkbox"/> Initial <input type="checkbox"/> Re-Auth	<input type="checkbox"/> Home Health	<input type="checkbox"/> Initial <input type="checkbox"/> Re-Auth
<input type="checkbox"/> Hospice	<input type="checkbox"/> Medical/Surgical Supplies	<input type="checkbox"/> Money Follows the Person (MFP)	
<input type="checkbox"/> Occupational Therapy	<input type="checkbox"/> Orthotic & Prosthetic Devices	<input type="checkbox"/> Oxygen	<input type="checkbox"/> Physical Therapy
<input type="checkbox"/> Initial <input type="checkbox"/> Re-Auth			<input type="checkbox"/> Initial <input type="checkbox"/> Re-Auth
<input type="checkbox"/> Professional/Surgical Services	<input type="checkbox"/> Speech Therapy	<input type="checkbox"/> Initial <input type="checkbox"/> Re-Auth	<input type="checkbox"/> Vision Care Services
<input type="checkbox"/> Independent Chiropractic	<input type="checkbox"/> Evaluation <input type="checkbox"/> Initial <input type="checkbox"/> Re-Auth		

16. Dates of Service			17. Place of Service	18. Proc/RCC Code/List	19. Mod 1	20. Mod 2	21. Mod 3	22. Units	23. Total Cost Dollars
Line Item	Start Date (MM/DD/YYYY)	End Date (MM/DD/YYYY)							
1									
2									
3									
4									
5									
6									
7									
8									

24. Clinical Statement: Include a prognosis and rehabilitation potential in the space provided below. A current plan of treatment and progress notes as to the necessity, effectiveness and goals of service requested must be attached.									
Signature of Clinical Practitioner: _____					Date: _____				

25. Certification Statement: This is to certify that the requested service, equipment or supply is medically indicated and is reasonable and necessary for the treatment of this patient and that a prescribing practitioner signed order is on file (if applicable). This form and any statement on my letterhead attached hereto has been completed by me, or by my employee and reviewed by me. The foregoing information is true, accurate and complete, and I understand that any falsification, omission or concealment of material fact may be subject me to civil and criminal liability.

Signature of Billing Provider: _____ Date: _____

010814 This form may be filled out by typing in the field, or printing and writing in the fields.
Please fax completed form to CHNCT at 1-203-265-3994. Please call CHNCT's provider line at 1-800-440-5071 with any questions.



DSS Fee Schedule

DSS Fee Schedule can be found at
www.ctdssmap.com

Locating the DSS Fee Schedule

- Click on “**Provider**”



The screenshot shows the homepage of the Connecticut Department of Social Services. The header includes the department's logo and name, a date stamp for Friday, October 16, 2015, and a 'Help' link. A navigation bar contains links for Home, Information, Provider, Trading Partner, Pharmacy Information, and Hospital Modernization. On the left, a sidebar menu lists various resources under 'Information' and 'Provider'. A large red arrow points to the 'Provider' link in the sidebar. The main content area features a large 'WELCOME' message and a detailed paragraph about the Connecticut Medical Assistance Program website.

Connecticut Department of Social Services
Making a Difference

Help
Friday, October 16, 2015

Home Information **Provider** Trading Partner Pharmacy Information Hospital Modernization

Information

- [Publications](#)
- [Links](#)
- [Important Information](#)
- [RA Banner Announcements](#)
- [HIPAA](#)
- [Regional Office Locations](#)

Provider

- [Provider Services](#)
- [Provider Search](#)
- [Provider Enrollment](#)
- [EHR Incentive Program](#)
- [OOS Instructions/Information](#)
- [Secure Site](#)

WELCOME

TO THE CONNECTICUT MEDICAL ASSISTANCE PROGRAM

WELCOME TO THE CONNECTICUT MEDICAL ASSISTANCE PROGRAM WEB SITE, PROVIDED BY HP ON BEHALF OF THE CONNECTICUT DEPARTMENT OF SOCIAL SERVICES. THIS SITE PROVIDES IMPORTANT INFORMATION TO HEALTH CARE PROVIDERS ABOUT THE CONNECTICUT MEDICAL ASSISTANCE PROGRAM. THIS SITE CONTAINS A WEALTH OF RESOURCES FOR PROVIDERS INCLUDING ENROLLMENT, BILLING MANUALS, BULLETINS, PROGRAM REGULATIONS, PLUS INFORMATION ON ELECTRONIC DATA INTERCHANGE AND THE AUTOMATED ELIGIBILITY VERIFICATION SYSTEM.

Locating the DSS Fee Schedule (cont.)

- Click on ***“Provider Fee Schedule Download”***

Provider - Microsoft Internet Explorer provided by Community Health Network of CT

https://www.ctdssmap.com/CTPortal/Provider/tabId/45/Default.aspx

Connecticut Department of Social Services
Making a Difference

Help
Friday, October 16, 2015

Home Information Provider Trading Partner Pharmacy Information Hospital Modernization

home provider provider search e-mail subscription

Provider enrollment
Provider Re-Enrollment
Provider Enrollment Tracking
Provider Matrix
Provider Services
Provider Search
Drug Search
Provider Fee Schedule Download
EHR Incentive Program
OOS Instructions/Information
E-Mail Subscription
Secure Site

provider enrollment tracking provider matrix provider services
download ehr incentive program oos instructions/information

Quick Login
User ID*
Password*
Login
Logging in for the first time?
Forgot your password?

Quick Links
Provider Services
Provider Search
Provider Enrollment
Eligibility Response Quick Reference Guide

Provider Assistance Center
toll free at 1-800-842-8440
1-866-604-3470 (alternate TTY/TDD line)

Email Subscription
Register/Update Email Subscription

HP Provider Relations
HP responds to questions on client and provider eligibility, claim submission instructions, claims processing issues and provider enrollment. Questions on these topics should be directed to the HP Provider Assistance Center. The Provider Assistance Center is the provider's source for information not provided on the Web portal or from the Automated Voice Response System (AVRS).
Providers may contact HP's Provider Assistance Center toll free at 1-800-842-8440. An alternate TTY/TDD line is also available at 1-866-604-3470.

https://www.ctdssmap.com/CTPortal/Provider/tabId/45/Default.aspx

Locating the DSS Fee Schedule (cont.)

- Click on the “***I Accept***” button at the bottom of the License Agreement
- Then choose the appropriate Provider Fee Schedule

*** [Click here for the Fee Schedule Instructions](#) ***

Provider Fee Schedule Download

- MEDS - DME [CSV](#)
- MEDS-Hearing Aid/Prosthetic Eye [CSV](#)
- MEDS-Medical/Surgical Supplies [CSV](#)
- MEDS-MISC [CSV](#)
- MEDS-Parenteral-Enteral [CSV](#)
- MEDS-Prosthetic/Orthotic [CSV](#)



DSS Pricing Policy and Pricing Definitions

DSS Pricing Policy

- Fees for Medical Equipment, Device and Supplies (MEDS) are item specific. When the Department of Social Services' (DSS/Department) rate of payment for the ***purchase and rental*** of certain items has not been established, the Department pays for the item based on individual consideration, subject to all other conditions of payment. Such items are identified on the MEDS fee schedules with a fee of "Zero." These items are manually priced and require prior authorization.
- The item must be provided prior to billing.
- The price for any item listed on the fee schedule published by the Department shall include **all** of the following:
 - Fees for initial fittings and adjustments and related transportation costs
 - Delivery costs, fully prepaid by the provider, including any and all manufacturers' delivery charges with no additional charges to be made for packing or shipping
 - Travel to the member's home, postage and handling, and set up or installation charges
 - Technical training to the member, his or her family, and/or relevant caregivers regarding the equipment features and proper care of the equipment
 - Information furnished by the provider to the member over the telephone
 - Labor charges

DSS Pricing Policy (cont.)

- Providers shall bill and the Department shall pay at the lowest of:
 - The provider's usual and customary charge to the general public;
 - The lowest Medicare rate;
 - The amount in the applicable fee schedule as published by the Department;
 - The lowest price charged or accepted for the same or substantially similar goods or services by the provider from any person or entity; or
 - The amount prior authorized in writing by the Department.
- Payment to a provider shall be the lowest of:
 - Manufacturer's suggested retail price (MSRP) – 15%; or
 - Actual acquisition cost (AAC) of the item plus a percentage mark-up which will vary by procedure code.
- For the list of codes and varying percentages, go to www.ct.gov/husky:
 - Select ***"For Providers,"*** then click ***"Policies, Procedures and Guidelines," "Clinical Policies,"*** and then ***"DSS Pricing Policy for MEDS Items"***



Pricing Definitions

- **Actual Acquisition Cost (AAC):**
 - **When the manufacturer is not the provider:** AAC is the price paid by the provider to the manufacturer, or any other supplier
 - **When the manufacturer is the provider:** AAC is the actual cost of manufacturing inclusive of materials and labor
- **Manufacturer's Suggested Retail Price (MSRP):**
 - Manufacturer's suggested retail price, or "list price," is the selling price that the manufacturer recommends that the seller or retailer receive for goods or services



When Actual Acquisition Cost (AAC) is Supplied

- Providers must supply the actual, unaltered invoice, or price quotation with the prior authorization request
- The invoice or price quotation must include the HCPCS code(s) being requested
- The invoice or price quotation must be on the manufacturer's letterhead or form, be addressed to the provider, and contain the member's name (member's name is not required if the invoice is for items purchased in bulk)
- The invoice or price quotation must not be older than 1 year from the date of delivery
- The provider must disclose all discounts, including any secondary and tertiary discounts, and must reflect such discounts in the documentation submitted with the prior authorization request



When the Manufacturer ***Is Not*** the Provider

- The AAC must be evidenced by the purchase price of the equipment or goods listed on a copy of the supplier's invoice
- The invoice must include **all** of the following:
 - Detailed product description
 - Model number
 - Description
 - Published MSRP
 - Quantity
 - Description of customization
 - AAC



When the Manufacturer *Is* the Provider

- The AAC must not exceed the actual cost of manufacturing the items
- The manufacturer must submit invoices that demonstrate the actual cost of manufacturing the item to include:
 - Cost of raw materials
 - Number of hours of hands-on labor (labor will be reimbursed at the usual fee of \$19.91 per quarter hour)
 - Documentation showing a step-by-step breakdown of the process used to fabricate an item and the number of hours of labor for each step



Questions?

Thank you for your time!