Therapeutic Continuous Glucose Monitors to Become a Benefit of Texas Medicaid April 1, 2020

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Note: *Texas Medicaid managed care organizations (MCOs) must provide all medically necessary, Medicaid-covered services to eligible clients. Administrative procedures such as prior authorization, pre-certification, referrals, and claims/encounter data filing may differ from traditional Medicaid (fee-for-service) and from MCO to MCO. Providers should contact the client's specific MCO for details.*

Effective for dates of service on or after April 1, 2020, therapeutic continuous glucose monitors (CGMs) will be a benefit of Texas Medicaid through Title XIX Home Health Services. To be reimbursed as a home health benefit, all durable medical equipment (DME) must be safe for use in the home or any other setting in which normal life activities take place.

A therapeutic CGM (procedure code K0554) and its related supplies (procedure code K0553) are used to measure glucose levels in real-time throughout the day and night. A tiny electrode called a glucose sensor is inserted under the skin to measure glucose levels in tissue fluid. It is connected to a transmitter that sends the information via wireless radio frequency to a monitoring and display device.

Procedure codes K0553 and K0554 will be a benefit in the home setting when services are provided by home health DME and medical supplier (DME) providers.

A therapeutic CGM device is used as a replacement for self blood glucose monitoring (SBGM), for clients with diabetes to use at home.

Therapeutic CGM services replace any home blood glucose monitor used for SBGM and the related supplies. Procedure code K0554 will be limited to one per three years.

Other home glucose monitors (procedure codes E2100 and E2101) will be denied when submitted within three calendar years of procedure code K0554.

The following procedure codes for an SBGM and its related supplies will be denied when submitted during the same calendar month by any provider, as procedure codes K0553 and K0554:

Procedure Codes						
A4233	A4236	A4245	A4250	A4253	A4256	A4258
A4259	A9275	E2100	E2101			

The supply allowance (procedure code K0553) for supplies used with the therapeutic CGM system encompasses all items necessary for the use of the device. The DME provider is responsible for delivering the appropriate items and quantities for the client to initiate and continue use of the therapeutic CGM.

Prior Authorization

Prior authorization is required for a therapeutic CGM device (procedure code K0554). Prior authorization may be considered with documentation of medical necessity, which must include one of the following:

- A completed Home Health Services (Title XIX) DME/Medical Supplies Physician Order Form that has been signed and dated by the physician who is familiar with the client prior to supplying any medical equipment or supplies
- Or all the following:
  - A completed and signed detailed written or verbal order
  - A Title XIX Form with section A completed

The initial order from a health-care provider who manages the client's diabetes is valid for the first six months. If the client continues to be compliant with the use of the CGM and treatment plan, the physician may write an order for an additional six months. After the first year, an order for replacement sensors, transmitter, and receiver (following frequency rules) may be written for a 12-month period.

Therapeutic CGM Device

A therapeutic CGM must be prescribed by a health-care provider who manages the client's diabetes and may be considered for prior authorization for clients with type 1 or type 2 diabetes. All of the following medical necessity criteria must be met:

- The client has been using an SBGM and performing frequent (at least four times per day) testing
- The client utilizes insulin injections three or more times per day, or is on an insulin pump

- The client's insulin treatment regimen requires frequent adjustments based on SBGM or CGM testing results
- The client is able or has a caregiver who is able to learn to use the device, and to hear or view CGM alerts and respond appropriately

A client with hypoglycemia unawareness or several episodes of hypoglycemia a day may also qualify for therapeutic CGM services if the client does not meet the above listed criteria.

The ordering provider should also verify that the client's condition meets the manufacturers' recommendations for appropriate age range, testing and calibration requirements, and any other manufacturer recommendations prior to prescribing the CGM device.

CGM devices that have been purchased are expected to last a minimum of three years and may be considered for replacement when three years have passed or the equipment is no longer repairable. The replacement of the equipment may also be considered when it has been lost or irreparably damaged. A copy of the police or fire report, when appropriate, and the measures to be taken to prevent a reoccurrence must be submitted. Additional services may be reimbursed with prior authorization based on documentation of medical necessity.

Associated Supplies

When a therapeutic CGM device (procedure code K0554) is approved, the related supplies (procedure code K0553) are also covered once per calendar month.

A one-time prior authorization for the initiation of therapeutic CGM monthly supplies (procedure code K0553) is only required when the client already owns a device. The physician must submit a statement with the prior authorization request, verifying the following:

- The client owns a therapeutic CGM device (as defined by the Centers for Medicare & Medicaid Services).
- The client's current condition meets therapeutic CGM coverage criteria
- The client is compliant with using the CGM device to manage his or her diabetes

Claims Filing Requirements

Procedure codes K0554 and K0553 must be submitted with modifier KF when submitting a claim for a class III device, as designated by the U.S. Food and Drug Administration (FDA), and its related supplies. No modifier is required when submitting a claim for a class II device, as designated by the FDA, and its related supplies.

Noncovered Services

The following services are not benefits of Texas Medicaid:

- Non-therapeutic CGM devices used as an adjunct to SBGM
- Rental of therapeutic CGM devices
- Non-medical items, even if the items may be used to serve a medical purpose:
    - Smart devices (smart phones, tablets, personal computers, etc.) used as CGM monitors
    - Medical supplies used with non-covered equipment. An exception would be for the transmission and receiving of data, using a smart device application, from a client's personally owned smart device, who meet the medical criteria for telemonitoring services

For more information, call the TMHP Contact Center at 800-925-9126.