

DIABETIC EQUIPMENT AND SUPPLIES

CSHCN SERVICES PROGRAM PROVIDER MANUAL

SEPTEMBER 2021



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Table of Contents

- 15.1 Enrollment 3**
- 15.2 Benefits, Limitations, and Authorization Requirements..... 3**
 - 15.2.1 Glucose Monitor and Supplies 3
 - 15.2.1.1 Non Diabetic Diagnosis Codes 5
 - 15.2.1.2 Glucose Monitor 5
 - 15.2.1.3 Glucose Testing Supplies 6
 - 15.2.1.3.1 *Insulin-Dependent Clients*.....6
 - 15.2.1.3.2 *Non-Insulin-Dependent Clients*6
 - 15.2.1.4 Glucose Tabs and Gel 7
 - 15.2.1.5 Prior Authorization Requirements 7
 - 15.2.2 Therapeutic Continuous Glucose Monitors (CGM) 7
 - 15.2.2.1 Prior Authorization Requirements 7
 - 15.2.2.2 Associated Supplies 8
 - 15.2.2.3 Noncovered Services 9
 - 15.2.3 Insulin Pump 9
 - 15.2.3.1 Prior Authorization Requirements 10
 - 15.2.4 Insulin and Insulin Syringes 11
- 15.3 Documentation of Receipt 11**
- 15.4 Claims Information..... 11**
- 15.5 Reimbursement..... 12**
- 15.6 TMHP-CSHCN Services Program Contact Center 12**

15.1 Enrollment

To enroll in the CSHCN Services Program, providers of diabetic equipment and supplies must be actively enrolled in Texas Medicaid, have a valid Provider Agreement with the CSHCN Services Program, have completed the CSHCN Services Program enrollment process, and comply with all applicable state laws and requirements. Out-of-state diabetic equipment and supplies providers must meet all these conditions, and be located in the United States, within 50 miles of the Texas state border, and approved by the Department of State Health Services (DSHS).

Important: *CSHCN Services Program providers are responsible for knowing, understanding, and complying with the laws, administrative rules, and policies of the CSHCN Services Program and Texas Medicaid.*

By enrolling in the CSHCN Services Program, providers are charged not only with knowledge of the adopted CSHCN Services Program agency rules published in Title 25 Texas Administrative Code (TAC), but also with knowledge of the adopted Medicaid agency rules published in 1 TAC, Part 15, and specifically including the fraud and abuse provisions contained in Chapter 371.

CSHCN Services Program providers also are required to comply with all applicable laws, administrative rules, and policies that apply to their professions or to their facilities. Specifically, it is a violation of program rules when a provider fails to provide health-care services or items to recipients in accordance with accepted medical community standards and standards that govern occupations, as explained in 1 TAC §371.1659 for Medicaid providers, which also applies to CSHCN Services Program providers as set forth in 25 TAC §38.6(b)(1). Accordingly, CSHCN Services Program providers can be subject to sanctions for failure to deliver, at all times, health-care items and services to recipients in full accordance with all applicable licensure and certification requirements. These include, without limitation, requirements related to documentation and record maintenance, such that a CSHCN Services Program provider can be subject to sanctions for failure to create and maintain all records required by his or her profession, as well as those required by the CSHCN Services Program and Texas Medicaid.

Referto: Section 2.1, “Provider Enrollment” in Chapter 2, “Provider Enrollment and Responsibilities” for more detailed information about CSHCN Services Program provider enrollment procedures.

15.2 Benefits, Limitations, and Authorization Requirements

Diabetic equipment and supplies including glucose monitors, testing supplies, insulin and insulin syringes, and external insulin pumps and supplies may be reimbursed by the CSHCN Services Program.

15.2.1 Glucose Monitor and Supplies

Blood testing supplies may be reimbursed without prior authorization when submitted with one of the following diagnoses:

Diagnosis Codes							
E0800	E0801	E0810	E0811	E0821	E0822	E0829	E08311
E08319	E083211	E083212	E083213	E083219	E083291	E083292	E083293
E083299	E083311	E083312	E083313	E083319	E083391	E083392	E083393
E083399	E083411	E083412	E083413	E083419	E083491	E083492	E083493
E083499	E083511	E083512	E083513	E083519	E083521	E083522	E083523
E083529	E083531	E083532	E083533	E083539	E083541	E083542	E083543
E083549	E083551	E083552	E083553	E083559	E083591	E083592	E083593
E083599	E0836	E0837X1	E0837X2	E0837X3	E0837X9	E0839	E0840
E0841	E0842	E0843	E0844	E0849	E0851	E0852	E0859

Diagnosis Codes							
E08610	E08618	E08620	E08621	E08622	E08628	E08630	E08638
E08641	E08649	E0865	E0869	E088	E089	E0900	E0901
E0910	E0911	E0921	E0922	E0929	E09311	E09319	E093211
E093212	E093213	E093219	E093291	E093292	E093293	E093299	E093311
E093312	E093313	E093319	E093391	E093392	E093393	E093399	E093411
E093412	E093413	E093419	E093491	E093492	E093493	E093499	E093511
E093512	E093513	E093519	E093521	E093522	E093523	E093529	E093531
E093532	E093533	E093539	E093541	E093542	E093543	E093549	E093551
E093552	E093553	E093559	E093591	E093592	E093593	E093599	E0936
E0937X1	E0937X2	E0937X3	E0937X9	E0939	E0940	E0941	E0942
E0943	E0944	E0949	E0951	E0952	E0959	E09610	E09618
E09620	E09621	E09622	E09628	E09630	E09638	E09641	E09649
E0965	E0969	E098	E099	E1010	E1011	E1021	E1022
E1029	E10311	E10319	E103211	E103212	E103213	E103219	E103291
E103292	E103293	E103299	E103311	E103312	E103313	E103319	E103391
E103392	E103393	E103399	E103411	E103412	E103413	E103419	E103491
E103492	E103493	E103499	E103511	E103512	E103513	E103519	E103521
E103522	E103523	E103529	E103531	E103532	E103533	E103539	E103541
E103542	E103543	E103549	E103551	E103552	E103553	E103559	E103591
E103592	E103593	E103599	E1036	E1037X1	E1037X2	E1037X3	E1037X9
E1039	E1040	E1041	E1042	E1043	E1044	E1049	E1051
E1052	E1059	E10610	E10618	E10620	E10621	E10622	E10628
E10630	E10638	E10641	E10649	E1065	E1069	E108	E109
E1100	E1101	E1110	E1121	E1122	E1129	E11311	E11319
E113211	E113212	E113213	E113219	E113291	E113292	E113293	E113299
E113311	E113312	E113313	E113319	E113391	E113392	E113393	E113399
E113411	E113412	E113413	E113419	E113491	E113492	E113493	E113499
E113511	E113512	E113513	E113519	E113521	E113522	E113523	E113529
E113531	E113532	E113533	E113539	E113541	E113542	E113543	E113549
E113551	E113552	E113553	E113559	E113591	E113592	E113593	E113599
E1136	E1137X1	E1137X2	E1137X3	E1137X9	E1139	E1140	E1141
E1142	E1143	E1144	E1149	E1151	E1152	E1159	E11610
E11618	E11620	E11621	E11622	E11628	E11630	E11638	E11641
E11649	E1165	E1169	E118	E119	E1300	E1301	E1310
E1311	E1321	E1322	E1329	E13311	E13319	E133211	E133212
E133213	E133219	E133291	E133292	E133293	E133299	E133311	E133312
E133313	E133319	E133391	E133392	E133393	E133399	E133411	E133412
E133413	E133419	E133491	E133492	E133493	E133499	E133511	E133512
E133513	E133519	E133521	E133522	E133523	E133529	E133531	E133532
E133533	E133539	E133541	E133542	E133543	E133549	E133551	E133552

Diagnosis Codes								
E133553	E133559	E133591	E133592	E133593	E133599	E1336	E1337X1	
E1337X2	E1337X3	E1337X9	E1339	E1341	E1342	E1343	E1344	
E1349	E1351	E1352	E1359	E13610	E13620	E13621	E13622	
E13628	E13630	E13638	E13641	E13649	E1365	E1369	E138	
E139	P702	Z7984						

15.2.1.1 Non Diabetic Diagnosis Codes

Diagnosis Codes							
E161	E162	E71111	E71310	E71311	E71312	E71313	E71314
E71318	E7132	E7420	E7421	E7429	E8881	K911	R7303
R7309	R81						

Diagnoses not listed may be considered for prior authorization with supporting documentation of medical necessity.

15.2.1.2 Glucose Monitor

The purchase of a blood glucose monitor may be reimbursed once every three years using the following procedure codes:

Procedure Code	Limitation
E2100	1 per 3 years with prior authorization
E2101	1 per 3 years with prior authorization

Blood glucose monitors with integrated voice synthesizers (procedure code E2100) and blood glucose monitors with integrated lancing blood sample (procedure code E2101) may be considered for prior authorization with documentation of medical necessity.

Prior authorization is required for blood glucose monitors with special features (procedure codes E2100 and E2101). The following documentation supporting medical necessity of the special feature requested must be submitted with the prior authorization request:

- *Integrated voice synthesizer.* Supporting documentation for procedure code E2100 must include an additional diagnosis such as significant visual impairment and must include a statement from the physician that indicates that the client is unable to use a regular monitor and that the additional diagnosis or condition is not correctable.
- *Integrated lancing/blood sample.* Supporting documentation for procedure code E2101 must include a diagnosis of diabetes and significant manual dexterity impairment related, but not limited to, neuropathy, seizure activity, cerebral palsy, or Parkinson’s. The documentation must include a statement from the physician indicating that the client is unable to use a regular monitor and has a significant manual dexterity impairment that is not correctable.

Standard home glucose monitors (procedure code E0607) are not a benefit of the CSHCN Services Program.

15.2.1.3 Glucose Testing Supplies

The following procedure codes may be reimbursed for glucose testing supplies when billed with one of the diagnosis codes listed in the Section 15.2.1, “Glucose Monitor and Supplies” in this chapter:

Procedure Code	Limitation
A4233	1 per 6 months
A4234	1 per 6 months
A4235	1 per 6 months
A4236	1 per 6 months
A4250	1 box per 6 months
A4252	10 strips per month
A4256	2 per year
A4258	2 per year

15.2.1.3.1 Insulin-Dependent Clients

The following procedure codes for diabetic supplies do not require authorization up to the quantities listed when they are provided to an insulin-dependent client with a valid diagnosis. If the client is insulin-dependent, providers must submit claims for these procedure codes with modifier U9:

Procedure Code	Limitation
A4253*	2 boxes per month
A4259	1 box per month
A9275*	2 per month
* A client may receive a combined total of two per calendar month of procedure codes A4253 and A9275, either two of one procedure code or one of each procedure code.	

15.2.1.3.2 Non-Insulin-Dependent Clients

The following procedure codes for diabetic supplies do not require authorization up to the quantities listed when provided to a non-insulin-dependent client with an approved diagnosis:

Procedure Code	Limitation
A4253*	1 box per month
A4259	1 box every 2 months
A9275*	1 per month
* A client may receive only one per calendar month of either procedure code A4253 or A9275.	

Blood testing supplies for diagnoses other than those listed in the Section 15.2.1, “Glucose Monitor and Supplies” in this chapter may be considered for prior authorization with documentation of medical necessity.

For items that do not require prior authorization, the provider must indicate on a completed, signed prescription how many times a day the client is required to test blood glucose or ketone levels when applicable (not all supplies are related to testing glucose or urine, e.g., batteries).

15.2.1.4 Glucose Tabs and Gel

Procedure code A9150 may be reimbursed for glucose tablets or gel with prior authorization. Documentation of medical necessity and one of the diagnosis codes listed in the Section 15.2.1, “Glucose Monitor and Supplies” in this chapter must be included with the prior authorization request. Procedure code A9150 may be prior authorized with a quantity of 1 every 6 months as determined with prior authorization.

15.2.1.5 Prior Authorization Requirements

Diabetic supplies and related testing equipment do not require prior authorization unless otherwise specified in the specific sections of this chapter. Prior authorization is required when documentation of medical necessity supports additional quantities that exceed specified limits.

To avoid unnecessary denials, the physician must provide correct and complete information, including documentation of medical necessity for the requested equipment or supplies. The physician must maintain documentation of medical necessity in the client’s medical record. The requesting provider may be asked for additional information to clarify or complete a request for the diabetic equipment or supplies.

15.2.2 Therapeutic Continuous Glucose Monitors (CGM)

The following procedure codes and related supplies are benefits in the home setting when the services are provided by home health durable medical equipment (DME), medical supplier (DME), and custom DME providers:

Procedure Codes	Limitations
K0553	One unit per month
K0554	One per three years

Therapeutic CGM services are benefits when used as replacements for self blood glucose monitoring (SBGM) to help clients make treatment decisions. Therapeutic CGMs (procedure code K0554) can replace any home blood glucose monitor used for SBGM. Procedure code K0554 is limited to once per three rolling years, any provider.

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

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

Procedure code K0553 will be denied when submitted during the same calendar month by any provider as procedure codes A4250, A4256, A9275, E2100, or E2101.

15.2.2.1 Prior Authorization Requirements

Prior authorization is required for a therapeutic CGM device (procedure code K0554) and its associated supplies (procedure code K0553) that exceed the limit of once per calendar month. All prior authorization requests must be submitted on the CSHCN Services Program Prior Authorization Request for Diabetic Equipment and Supplies Form.

An endocrinologist or an advanced-level provider working with an endocrinologist must prescribe a therapeutic CGM. A therapeutic CGM may be considered for prior authorization for clients who have a documented diagnosis of type 1 diabetes and with clinical documentation of the following criteria:

- The client uses SBGM and performs frequent testing (at least four times per day).
- The client injects insulin three or more times per day or uses an insulin pump.

- The client has an insulin treatment regimen that requires frequent adjustments on the basis of SBGM or CGM testing results.
- The client demonstrates compliance with his or her insulin regimen by monitoring his or her blood sugar with finger sticks a minimum of four times per day for one month and submits the results in a glucose log.
- If the client already owns a monitor, the client must also meet at least two of the following criteria for the initial order of the monitor and supplies:
 - Elevated glycosylated hemoglobin level (HbA1c) > 7.0 percent
 - History of dawn phenomenon with fasting blood sugars that frequently exceed 200 mg/dl
 - History of severe glycemic excursions with wide fluctuations in blood glucose
 - History of recurring hypoglycemia (less than 60 mg/dL) with or without hypoglycemic unawareness
 - History of diabetic ketoacidosis

The provider must submit the CSHCN Services Program Prior Authorization Request for Diabetic Equipment and Supplies Form indicating the following:

- The client or caregiver possesses the following competencies:
 - The cognitive and physical abilities to use the CGM
 - An understanding of cause and effect
 - The ability to learn to use the device
 - The ability to hear and view CGM alerts and respond appropriately
 - The willingness to support the use of the CGM
- The prescribing provider attests the following:
 - A training or education plan will be completed prior to initiation of CGM therapy.
 - The client or caregiver will be given face-to-face education and instruction.
 - The client or caregiver will be able to demonstrate proficiency in integrating CGM therapy with the current treatment regimen for glucose control.

Prior to prescribing a CGM device, the ordering provider should verify that the client meets the CGM manufacturers' recommendations for:

- Medical Conditions.
- Appropriate age range.
- Testing and calibration requirements.

The initial prior authorization will be valid for six months. If the client complies with the use of the CGM and treatment plan, the physician may write an order and submit an updated PA request for an additional six months. After the first year, an order for replacement sensors, transmitter, and receiver may be submitted for a 12-month period.

15.2.2.2 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. Prior authorization for the related supplies is required only when the extra supplies provided exceed the allowance of once per calendar month.

Prior authorization to approve the initial once per calendar month allowance for the related supplies (procedure code K0553) is also required when the client already owns a CGM device and the provider is not requesting a new CGM device. Clinical documentation of the following must be submitted with the prior authorization request:

- The client-owned device meets the CMS definition of a therapeutic CGM.
- A physician's statement verifying the client's current condition meets the therapeutic CGM coverage criteria.

SBGM-related supplies (procedure codes A4233, A4234, A4235, A4236, A4253, and A4259) provided within the same calendar month as an approved therapeutic CGM device and related supplies will require prior authorization and documentation of medical necessity. Providers must use modifier U9 for insulin-dependent clients.

15.2.2.3 Noncovered Services

The following services are not benefits of the CSHCN Services Program:

- Non-therapeutic CGM devices used as an adjunct to SBGM
- Smart devices (smart phones, tablets, personal computers, etc.) used as CGM monitors
- Non-medical items, even if the items may be used to serve a medical purpose

15.2.3 Insulin Pump

An external insulin pump may be considered for rental or purchase with prior authorization and documentation of medical necessity. The following procedure codes may be reimbursed with prior authorization for the external insulin pump:

Procedure Code	Limitation
E0784	1 per month (rental) 1 per 3 years (purchase)
A9900	As needed for the replacement bag

External insulin pump supplies do not require prior authorization up to the maximum quantities allowed. The following procedure codes may be reimbursed for the external insulin pump supplies:

Procedure Code	Limitation
A4224	4 per month
A4225	15 per month
A4230	10 per month
A4231	15 per month
A4232	10 per month
A4601	1 per 6 months
A4602	1 per 6 months
A6257	15 per month
A6258	15 per month
A6259	15 per month
K0604	1 per 6 months
K0605	1 per 6 months

Additional quantities may be considered with documentation of medical necessity and prior authorization.

Note: *Tubeless insulin delivery systems and their supplies are not benefits of the CSHCN Services Program.*

An external insulin pump must be ordered by, and the client's follow-up care must be managed by, a prescribing provider with experience managing clients with insulin pumps and who is knowledgeable in the use of insulin pumps.

15.2.3.1 Prior Authorization Requirements

Prior authorization requests for the rental and purchase of the external insulin pumps (procedure code E0784) must be submitted on the [CSHCN Services Program Prior Authorization Request for Diabetic Equipment and Supplies form](#). Supporting medical necessity documentation must include past and current blood glucose levels and the most recent glycosylated hemoglobin level (Hb/A1C).

The rental of an external insulin pump may be considered for prior authorization with submission of clinical documentation that indicates one of the following:

- A client with a diagnosis of type 1 or 2 diabetes must meet at least 2 of the following criteria while on multiple daily injections of insulin:
 - Elevated glycosylated hemoglobin level (HbA1c) greater than 7.0 percent
 - History of dawn phenomenon with fasting blood sugars frequently exceeding 200 mg/dl
 - History of severe glycemic excursions with wide fluctuations in blood glucose
 - History of recurring hypoglycemia (less than 60 mg/dL) with or without hypoglycemic unawareness

In addition to the clinical documentation, the provider must submit the [CSHCN Services Program Prior Authorization Diabetic Equipment and Supplies form](#) and include documentation that the client or caregiver possess the following competencies:

- The cognitive and physical abilities to use the recommended insulin pump treatment regimen
- An understanding of cause and effect
- The willingness to support the use of the external insulin pump

The prior authorization request form must also include documentation that the prescribing provider has attested to the following:

- A training/education plan will be completed prior to initiation of pump therapy.
- The client or caregiver will be given face-to-face education and instruction and will be able to demonstrate proficiency in integrating insulin pump therapy with their current treatment regimen for ambient glucose control.

Note: *Providers may bill with procedure code A9900 for the replacement of alkaline batteries for the external ambulatory infusion pump during the rental period.*

The purchase of an external insulin pump may be considered for prior authorization after it has been rented for a three-month trial period and all of the following documentation is provided:

- The training/education plan has been completed.
- The pump is the appropriate equipment for the specific client.
- The client is compliant with the use of the pump.

Rental of an external insulin pump may be reimbursed for a 3-month trial, which must occur before purchase can be authorized.

In order for the external insulin pump to be considered for purchase, the physician must provide documentation that it is the appropriate equipment for the client and the client is compliant with use.

Replacement leg bag (procedure code A9900) must be prior authorized with documentation supporting medical necessity.

An internal insulin pump will not be prior authorized because the pump is included in the reimbursement for the surgery to place the pump.

15.2.4 Insulin and Insulin Syringes

Insulin and insulin syringes are available through the Texas Medicaid Vendor Drug Program.

Referto: Section 3.1.1, “Prescription Drug Benefits” in Chapter 3, “Client Benefits and Eligibility” for more information.

15.3 Documentation of Receipt

When the equipment is delivered, providers must complete the [CSHCN Services Program Documentation of Receipt form](#). The date of delivery on the form is the date of service that should appear on the claim. The provider must request a signature from the client or client’s representative at the time of delivery. The provider should retain this form and not submit it with the claim.

Providers must maintain a copy of this form in their files for the life of the piece of equipment or until the equipment is authorized for replacement.

The documentation of receipt form is available in both [English](#) and [Spanish](#).

15.4 Claims Information

Diabetic equipment and supplies must be submitted to TMHP in an approved electronic format or on the CMS-1500 paper claim form. Providers may purchase CMS-1500 paper claim forms from the vendor of their choice. TMHP does not supply the forms.

When completing a CMS-1500 paper claim form, all required information must be included on the claim, as information is not keyed from attachments. Superbills or itemized statements are not accepted as claim supplements.

Home health DME providers must use benefit code DM3 on all claims and authorization requests. All other providers must use benefit code CSN on all claims and authorization requests.

The Healthcare Common Procedure Coding System (HCPCS)/Current Procedural Terminology (CPT) codes included in policy are subject to National Correct Coding Initiative (NCCI) relationships. Exceptions to NCCI code relationships that may be noted in CSHCN Services Program medical policy are no longer valid. Providers should refer to the [Centers for Medicare & Medicaid Services \(CMS\) NCCI web page](#) for correct coding guidelines and specific applicable code combinations. In instances when CSHCN Services Program medical policy quantity limitations are more restrictive than NCCI Medically Unlikely Edits (MUE) guidance, medical policy prevails.

Referto: Chapter 41, “TMHP Electronic Data Interchange (EDI)” for information on electronic claims submissions.

Chapter 5, “Claims Filing, Third-Party Resources, and Reimbursement” for general information about claims filing.

Section 5.7.2.4, “CMS-1500 Paper Claim Form Instructions” in Chapter 5, “Claims Filing, Third-Party Resources, and Reimbursement” for instructions on completing paper claims. Blocks that are not referenced are not required for processing by TMHP and may be left blank.

15.5 Reimbursement

Diabetic equipment and supplies are reimbursed the lower of the billed amount, the amount allowed by CMS when available, or the amount allowed by Texas Medicaid.

For fee information, providers can refer to the Online Fee Lookup (OFL) on the TMHP website at www.tmhp.com.

The CSHCN Services Program implemented rate reductions for certain services. The OFL includes a column titled “Adjusted Fee” to display the individual fees with all percentage reductions applied. Additional information about rate changes is available on the TMHP website at <https://www.tmhp.com/resources/rate-and-code-updates/rate-changes>.

Note: Certain rate reductions including, but not limited to, reductions by place of service, client type program, or provider specialty may not be reflected in the Adjusted Fee column.

15.6 TMHP-CSHCN Services Program Contact Center

The TMHP-CSHCN Services Program Contact Center at 1-800-568-2413 is available Monday through Friday from 7 a.m. to 7 p.m., Central Time, and is the main point of contact for the CSHCN Services Program provider community.