

Division of Medicaid State of Mississippi Provider Policy Manual	New: Revised: X Current:	Date: Date: 01/01/09
Section: Durable Medical Equipment	Section: 10.03	
Subject: DME Co-Payments	Pages: 2	
	Cross Reference: Beneficiary Cost Sharing 3.08	

Providers are responsible for collecting a co-payment as described in this section. The co-payment is to be collected from the beneficiary and retained by the provider. This amount will then be withheld from the payment when the claim is processed. In cases of claim adjustments, the responsibility of refunding or collecting additional cost sharing co-payments from the beneficiary remains the responsibility of the provider.

Refer to Provider Policy Manual Section 3.08 for Beneficiary Cost Sharing policy.

The DME co-payment will **only** apply to durable medical equipment (rental and purchase) and orthotics and prosthetics. This is applicable to DME modifiers RR, KR, NU and UE.

- Modifier RR = Rental
- Modifier KR = Rental item, billing for partial month
- Modifier NU = New Equipment
- Modifier UE = Used durable medical equipment

The DME co-payment will **not** apply to repairs, or medical supplies. This is applicable to DME modifiers RP and SC.

- Modifier RP = Replacement and Repair
- Modifier SC = Medically necessary service or supply

For DME billed with HCPCS unspecified or miscellaneous codes and modifiers RR, KR, NU, and UE, a \$3.00 co-payment must be collected.

The co-payment amounts for HCPCS codes other than unspecified or miscellaneous codes are listed in the chart below.

Modifier	Modifier Description	Co-payment
RR	Rental	If the Medicaid allowable fee for the specific HCPCS code/modifier is: \$10.00 or less: co-payment is \$0.50 \$10.01 - \$25.00: co-payment is \$1.00 \$25.01 - \$50.00: co-payment is \$2.00 \$50.01 or more: co-payment is \$3.00
KR	Rental item, billing for partial month	If the Medicaid total allowable fee for the partial month for the specific HCPCS code/modifier is: \$10.00 or less: co-payment is \$0.50

Modifier	Modifier Description	Co-payment
		<p>\$10.01 - \$25.00: co-payment is \$1.00</p> <p>\$25.01 - \$50.00: co-payment is \$2.00</p> <p>\$50.01 or more: co-payment is \$3.00</p> <p>Example: Daily rental allowance of \$0.60 x 5 units (days) = \$3.00 allowance; a co-payment of \$0.50 applies.</p> <p>Example: Daily rental allowance of \$0.60 x 20 units (days) = \$12.00; a co-payment of \$1.00 applies.</p> <p>Note: This co-payment is calculated based on the total payment for the partial month, not daily payment.</p>
NU	New Equipment	<p>If the Medicaid allowable fee for the specific HCPCS code/modifier is:</p> <p>\$10.00 or less: co-payment is \$0.50</p> <p>\$10.01 - \$25.00: co-payment is \$1.00</p> <p>\$25.01 - \$50.00: co-payment is \$2.00</p> <p>\$50.01 or more: co-payment is \$3.00</p>
RP	Replacement and Repair	No Co-payment
UE	Used durable medical equipment	<p>If the Medicaid allowable fee for the specific HCPCS code/modifier is:</p> <p>\$10.00 or less: co-payment is \$0.50</p> <p>\$10.01 - \$25.00: co-payment is \$1.00</p> <p>\$25.01 - \$50.00: co-payment is \$2.00</p> <p>\$50.01 or more: co-payment is \$3.00</p>
SC	Medically necessary service or supply	No Co-payment