November 14, 2000

TO: ALL COUNTY CALIFORNIA CHILDREN’S SERVICES (CCS) ADMINISTRATORS, MEDICAL DIRECTORS, AND MEDICAL CONSULTANTS, AND STATE CHILDREN’S MEDICAL SERVICES (CMS) BRANCH STAFF

SUBJECT NON-CONVENTIONAL HEARING AIDS

Background

Many of the hearing aids that are medically necessary for CCS-eligible children with a hearing loss are not represented by the definitions of the Health Care Financing Administration Common Procedures Coding System (HCPCS) codes for hearing aids currently identified in Title 22, California Code of Regulations, Section 51517.

For many years the CCS program authorized these aids for both Medi-Cal-eligible and CCS-only children and reimbursed them from state and county funds. In 1996 changes were implemented in the Medi-Cal program to adopt federal statutory requirements which mandate that each state Medicaid program cover all medically necessary services to treat any disease or condition regardless of whether the services are available to eligible Medicaid individuals over 21 years of age. These changes offered the opportunity to have the Medi-Cal program reimburse for the non-conventional hearing aids as Early and Periodic Screening Diagnosis and Treatment (EPSDT) Supplemental Services when authorized by the CCS program and dispensed to a Medi-Cal beneficiary.

The mechanisms initially developed to review, authorize, and reimburse for these aids as EPSDT Supplemental Services were cumbersome due to the lack of a code specific to non-conventional aids. Therefore the CCS program requested the Medi-Cal program to add an additional HCPCS code to allow providers to bill a range of non-conventional hearing aids when authorized as an EPSDT Supplemental Service by CCS. The addition of the code will facilitate the authorized provider’s receipt of reimbursement from both the Medi-Cal and CCS program.
Non-conventional aids can be identified when “digi” or “digital” or “programmable” is contained in the name of the aid. Some models do not contain these identifiers and it is then necessary to contact the dispensing audiologist to determine if the requested aid is a non-conventional type.

Reimbursement to the dispensing provider for the non-conventional aid will be at the manufacturer's invoice plus 60 percent. In order for the claim to be paid at this amount, the invoice submitted must be for the communication device dispensed for the individual CCS-eligible client and must include the patient's name and serial number of the device.

Policy
A. The CCS program can authorize the following hearing aids as EPSDT Supplemental Services for Medi-Cal beneficiaries utilizing HCPCS Z5946.
   - Non-programmable, compression limiting, hearing aids
   - Programmable hearing aids (reimbursement includes six reprogramming sessions)
   - Digital hearing aids (reimbursement includes six reprogramming sessions)
   - Remote controller for programmable and digital hearing aids
   - FM System/assistive hearing devices
   - Frequency transposing hearing aids
   - Bone conduction hearing aids
   - Vibrotactile devices

B. The CCS program will continue to authorize the non-conventional hearing aids, identified in A. above for CCS-only clients utilizing the newly created HCPCS code Z5946.
C. The CMS Branch program audiology consultants will continue to be responsible to review and approve requests for non-conventional hearing aids. The County CCS programs or Regional Offices are responsible for issuing the authorizations.

Policy Guidelines

A. The audiologist at the CCS authorized Communication Disorder Center (CDC) shall complete the “Request for Non-conventional Hearing aids and Alternative Listening Devices Form” located in the CCS Audiology Provider Manual (See the enclosed form). The form is to be submitted to the County CCS office or State CMS Branch Regional Office responsible for medical case management of the CCS client.

B. The CCS program Medical Director or designee shall review the request to determine if there is sufficient information to make a decision and forward the Form as described in C a. and D a. below.

C. Requests for Medi-Cal eligible beneficiaries

1. The “Request for Non-conventional Hearing Aids and Alternative Listening Devices Form” shall be forwarded to the CMS Branch Central Office EPSDT Supplemental Services Coordinator for review as an EPSDT Supplemental Service. The request shall then be forwarded to the appropriate CMS Audiology Consultant.

2. The Audiology Consultant shall inform the CCS program office of the decision to approve or deny a requested non-conventional hearing aid.

3. If the request is approved, the CCS program shall issue an authorization for dispensing of the non-conventional hearing aid to either the CCS approved Communication Disorder Center (CDC) or to a local licensed hearing aid dispenser working in conjunction with the CCS paneled audiologist.
4. The authorization shall indicate that Code Z5946 should be utilized for billing the hearing aid and that the patient specific invoice must be attached to the claim at the time of submission for payment.

5. After the hearing aid is dispensed, the claim will be submitted to the county CCS program for authorization as an EPSDT supplemental service (e.g., a Treatment Authorization Request number entered on the claims for these services must show ten zeros plus a "four") and then forwarded to Electronic Data Systems (EDS) for payment. It is not necessary to submit these claims to CMS Branch staff for prepricing before forwarding to EDS.

6. EDS will price the claim for the hearing aid at the patient-specific manufacturer’s invoice cost plus 60 percent.

D. Requests for CCS-only beneficiaries

1. The “Request for Non-conventional Hearing Aids and Alternative Listening Devices Form” shall be forwarded to one of the Regional Office Audiology Consultants.

2. Audiology Consultant shall inform the CCS program office of the decision to approve or deny a requested non-conventional hearing aid.

3. If the request is approved, the CCS program shall issue an authorization for dispensing the non-conventional aid to either the CCS approved CDC or to a local licensed hearing aid dispenser working in conjunction with the CCS paneled audiologist.

4. The authorization shall indicate that Code Z5946 should be utilized for billing the hearing aid and that the patient specific invoice must be attached to the claim at the time of submission for payment.

5. For counties whose claims are reimbursed by EDS;

   a) Process the claim, as per Numbered Letter 05-0896, making sure that a patient-specific manufacturer’s invoice is attached.
b) Forward the claim to EDS.

c) EDS will price the hearing aid at the patient-specific manufacturer's invoice cost plus 60 percent.

6. For counties who are paying their own CCS-only claims pending conversion to EDS;

a) These hearing aids are to be reimbursed at the patient-specific manufacturer's invoice cost plus 60 percent.

b) The invoice must show the patient’s name and the serial number of the device dispensed.

If you have any questions, please contact your Regional Office Audiology Consultant.

Maridee A. Gregory, M.D., Chief
Children’s Medical Services Branch

Enclosure
REQUEST
for
Non-Conventional Hearing Aids and Assistive Listening Devices

Date
Patient's name: __________________ DOB: ____________
County: ________________

To be completed by CCS program staff:

CCS Number:

☐ Medi-Cal (Medi-Cal I.D. # ____________) ☐ Healthy Families ☐ CCS-only

To be completed by audiologist:

1. Requesting audiologist
   Name ____________________________
   Address ____________________________
   Telephone number ____________ FAX ____________ E-mail ____________

2. Dispensing audiologist or hearing aid dispenser (if other than above)
   Name ____________________________
   Address ____________________________
   Telephone number ____________ FAX ____________ E-mail ____________

3. Current amplification system, if any __________________ Current age of system

4. Type of hearing aid/device requested ____________________________
   Manufacturer ____________________________
   Model ____________________________

5. Rationale for aid/device:

The following must be enclosed with the request:

☐ Audiologist narrative report with information to support request. (from audiologist)
☐ Audiogram
☐ Previous amplification
☐ Physician report (medical clearance) -- (from CCS County Program)

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