

This Computes!



Department of Health Services
Children's Medical Services Network
(CMS Net) - Information Bulletin #196

CODING FOR OXYGEN DELIVERY EQUIPMENT AND OXYGEN ****REVISED****

Effective January 1, 2007, in compliance with nationwide implementation of Federal HCPCS coding, the Medi-Cal program has issued new HCPCS codes and modifiers and procedures for authorizing certain oxygen delivery devices and all oxygen gaseous and liquid refills. The revisions will apply to rental or purchase of gaseous or liquid oxygen delivery systems, oxygen concentrators, and oxygen tank refills. These coding revisions will become effective January 1, 2007, with No implementation grace period.

A CCS Numbered Letter with detailed guidelines and instructions for the new coding system has been released this week. All CCS County and Regional Office staff are advised to begin using these instructions for authorizations for dates of service after December 31, 2006. Authorizations for services prior to December 31, 2006 should be issued using only the old codes/modifiers.

The vast majority of existing authorizations issued prior to December 21, 2006 and extending past that date for oxygen delivery equipment that are affected by this revision in the modifiers have been issued for rental and have been authorized with the "RR" rental modifier. Although this modifier takes on a new meaning when used with certain codes as will be discussed in the Numbered Letter, the "RR" modifier will continue to allow payment for services billed with the existing SAR. Therefore, unless requested by the provider there is no need to modify or reissue these existing authorizations. However, since the new modifiers impact payment, it is possible that a provider will request that an existing SAR with the "RR" modifier be changed to include one of the new modifiers. If such a request meets the criteria in the Numbered Letter you should issue a new SAR with the appropriate modifier and cancel the old one effective the date of the new SAR. Do not cancel the SAR back to the issue date as that may cause claims for services already provided to deny.