



North Dakota Workforce
Safety & Insurance

Payment Policy

Durable Medical Equipment

01/01/2015

1600 E Century Ave Ste 1
PO Box 5585
Bismarck ND 58506-5585
701-328-3800
800-777-5033
www.workforcesafety.com

Copyright Notice

The five character codes included in the North Dakota Fee Schedule are obtained from the Current Procedural Terminology (CPT®), copyright 2014 by the American Medical Association (AMA). CPT is developed by the AMA as a listing of descriptive terms and five character identifying codes and modifiers for reporting medical services and procedures performed by physicians.

The responsibility for the content of North Dakota Fee Schedules is with WSI and no endorsement by the AMA is intended or should be implied. The AMA disclaims responsibility for any consequences or liability attributable or related to any use, nonuse or interpretation of information contained in North Dakota Fee Schedule. Fee Schedules, relative value units, conversion factors and/or related components are not assigned by the AMA, are not part of CPT and the AMA is not recommending their use. The AMA does not directly or indirectly practice medicine or dispense medical services. The AMA assumes no liability for data contained or not contained herein. Any use of CPT outside of North Dakota Fee Schedule should refer to the most Current Procedural Terminology which contains the complete and most current listing of CPT codes and descriptive terms. Applicable FARS/DFARS apply.

CPT is a registered trademark of the American Medical Association.

ADA codes are copyright © 2014 American Dental Association. All Rights Reserved. Reproduced and distributed under ADA License #2002460.

Disclaimer Language

The fact that a procedure or service is assigned a HCPCS code and a payment rate does not imply coverage by WSI, but indicates only how the procedure or service may be paid if covered by the program. The existence of a procedure code on this list is not a guarantee that the code is covered.

For reference purposes, the sections of the North Dakota Administrative Code that regulate medical services are **92-01-02-27 through 92-01-02-46**. The NDAC can be viewed at the North Dakota Legislative Council web site: <http://www.state.nd.us/lr/information/acdata/html/92-01.html>

Table of Contents

Durable Medical Equipment (DME) Payment Methodology	4
Provider Remittance Advice	5

Workforce Safety & Insurance

Durable Medical Equipment (DME) Payment Methodology

WSI shall reimburse durable medical equipment (DME) as follows:

WSI shall reimburse all HCPCS (Common Procedure Coding System) codes listed in the Medicare fee schedule for North Dakota at Medicare's North Dakota Schedule plus 20%.

WSI shall reimburse all HCPCS codes not listed in the Medicare schedule for North Dakota at the 50th percentile of the usual, customary and reasonable rate (UCR) of the geographic area.

In the absence of a UCR rate, WSI shall reimburse at an 85% cost-to-charge ratio.

WSI shall limit the monthly rental payments for Capped Rental items to 13 months. WSI shall pay for capped rental items that are approved for purchase using the following formula:

- 100% of the monthly rental amount X 3 plus 75% of the monthly rental amount X 10

The purchase amounts for capped rental items are identified in the DME fee schedule with a modifier of NU.

WSI shall only reimburse for electromedical equipment and related supplies covered by the following HCPCS codes under a preferred provider agreement: (PPA):

A4556	Electrodes
A4557	Lead wires
A4455	Adhesive remover
A4558	Paste or gel
A6250	Vitamin lotion
A4245	Alcohol wipes
A4630	Batteries
E0720	Tens two lead
E0730	Tens four lead
E0745	Neuromuscular stimulator

WSI shall pay in full any charges submitted that are less than or equal to the maximum allowable fee.

WSI will assign one of four status codes to each HCPCS code. The following status codes will be used:

- A Active Code – Will be paid under the WSI fee schedule amount
- B Bundled Code – Payment is bundled into the payment for other services
- C WSI Priced Code – Payment is made under WSI negotiated amounts or U&C amounts
- P Excluded Code – No payment is made for these codes

Workforce Safety & Insurance

Provider Remittance Advice

WSI processes medical service billings weekly. A remittance advice is sent to the provider with the reimbursement check, providing information to the provider about the service, including the patient's name, date of service, procedure billed, submitted amount, and paid amount. The remittance advice also includes reason codes or explanation of benefits (EOB) codes, to explain any reductions in payment of a service or denial of payment.

Some EOB codes allow the patient to be billed for the denied charges, or for the balance of reduced charges. These instances are identified by the statement "CONTACT CLAIMANT FOR PAYMENT". When these EOB codes occur, WSI also sends a "NOTICE OF NON-PAYMENT" EOB to the patient regarding the reduced or denied charges, to inform the patient of their responsibility for the charges.

If an EOB code does not state the patient may be contacted for payment, any reduction or denial of services is not billable to the patient, the employer, or another insurer.

Copies of remittance advices can be obtained by calling 1-800-777-5033. You can access the list of our EOB codes on our website in the library section.