Dear Physician,

Do you have patients on Medicare who use an insulin pump?

Recently the DME MAC contractors were made aware of an issue with pharmacies billing Medicare Part D for insulin used in a Durable Medical Equipment (DME) external insulin infusion pump. The DME MACs have jurisdiction for DME and related supplies covered by traditional Medicare. Payment under Medicare Part D is prohibited when there is coverage available under a Medicare Part B benefit. In the case of insulin, when it is administered via a Part B-covered DME pump, payment from Part D is excluded. All claims for DME and supplies used with DME (such as insulin) must be billed to the DME MACs.

Pharmacies have two billing code options for insulin – one code for insulin administered via syringe injection (J1815) and one for insulin administered via an external insulin infusion pump (J1817); therefore, it is helpful for the pharmacist to know the method of administration for the insulin that your patient is using. To assist the pharmacist in billing the correct payer for the insulin, we recommend that you specifically state “Insulin for Insulin Pump” (or similar language indicating the method of administration) on your orders. This will help ensure that the pharmacy bills the correct payer and avoid unnecessary claim denials for your patients.

Additional details on the coverage, coding, and documentation requirements for external infusion pumps may be found in the Local Coverage Determination (LCD) for External Infusion Pumps in the Medicare Coverage Database on the CMS website at https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=33794&ContrID=140.

Sincerely,

Smitha M. Ballyamanda, MD, CAQSM
Medical Director, DME MAC, Jurisdiction A
Noridian Healthcare Solutions, LLC

Robert D. Hoover, Jr., MD, MPH, FACP
Medical Director, DME MAC, Jurisdiction C
CGS Administrators, LLC

Stacey V. Brennan, MD, FAAFP
Medical Director, DME MAC, Jurisdiction B
CGS Administrators, LLC

Peter J. Gurk, MD, CPE, CHCQM
Medical Director, DME MAC, Jurisdiction D
Noridian Healthcare Solutions, LLC