

HUMAN SERVICES DEPARTMENT [441]

**Adopted and Filed**

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services amends Chapter 78, “Amount, Duration, and Scope of Medical and Remedial Services,” Iowa Administrative Code.

These amendments limit coverage of blood glucose monitors and test strips to those produced by manufacturers who have contracted with the Department to provide a rebate for monitors and test strips provided through the Medicaid program. The Department is directed to collect supplemental rebates for diabetic supplies by 2008 Iowa Acts, Senate File 2425, section 9(18). Prior authorization is required for Medicaid members for whom a monitor or test strips from another manufacturer are medically necessary.

The amendments also make numerous technical changes to update Medicaid terminology.

The restriction on the choice of equipment and supplies may be waived with prior authorization from the Iowa Medicaid Enterprise.

Notice of Intended Action on these amendments was published in the Iowa Administrative Bulletin on November 19, 2008, as **ARC 7369B**.

The Department received three comments on the Notice of Intended Action. Commenters were concerned that the rules would limit access to equipment that was most appropriate to members’ individual needs, and that treatment of diabetes patients would suffer if patients were required to change to different equipment. The Department believes that the variety of equipment

that will be available will meet most members' needs and that the prior authorization process will serve to address needs that are not met by the selected brands and models.

These amendments are identical to the Notice of Intended Action.

The Council on Human Services adopted these amendments on January 14, 2009.

These amendments are intended to implement Iowa Code section 249A.4.

These amendments shall become effective on April 1, 2009.

The following amendments are adopted.

ITEM 1. Amend subparagraph **78.6(1)“d”(3)** as follows:

(3) Protective lenses are allowed for:

1. Children through seven years of age.
2. ~~Recipients~~ Members with vision in only one eye.
3. ~~Recipients~~ Members with a diagnosis-related illness or disability where regular lenses

would pose a safety risk

ITEM 2. Amend subparagraph **78.6(1)“f”(3)** as follows:

(3) Safety frames are allowed for:

1. Children through seven years of age.
2. ~~Recipients~~ Members with a diagnosis-related disability or illness where regular frames

would pose a safety risk.

ITEM 3. Amend paragraph **78.6(4)“a”** as follows:

a. A second lens correction within a 24-month period for ~~recipients~~ members eight years of age and older. Approval shall be given when the ~~recipient's~~ member's vision has at least a five-tenths diopter of change in sphere or cylinder or ten-degree change in axis in either eye.

ITEM 4. Strike “recipient,” “recipient’s,” and “recipients” wherever they appear in rule **441--78.9(249A)** and insert “member,” “member’s, or “members” in lieu thereof.

ITEM 5. Amend paragraphs **78.10(1)“f,” “g” and “h”** as follows:

f. Consideration will be given to rental or purchase based on the price of the item and the length of time it would be required. The decision on rental or purchase shall be made by the Iowa Medicaid enterprise, and be based on the most reasonable method to provide the equipment.

(1) The provider shall monitor rental payments up to 150 percent of the purchase price. At the point that total rent paid equals 150 percent of the purchase allowance, the ~~recipient~~ member will be considered to own the item and no further rental payments will be made to the provider.

(2) and (3) No change.

g. Payment may be made for necessary repair, maintenance, and supplies for ~~recipient-owned~~ member-owned equipment. No payment may be made for repairs, maintenance, or supplies when the ~~recipient~~ member is renting the item.

h. Replacement of ~~recipient-owned~~ member-owned equipment is covered in cases of loss or irreparable damage or when required because of a change in the ~~patient’s~~ member’s condition.

ITEM 6. Adopt the following new item in paragraph **78.10(2)“b”**:

Blood glucose monitors, subject to the limitation in 78.10(2)“e.”

ITEM 7. Amend paragraph **78.10(2)“b,”** the item “Enuresis alarm,” as follows:

Enuresis alarm system (bed-wetting alarm device) for ~~recipients~~ members five years of age or older.

ITEM 8. Amend paragraph **78.10(2)“c”** as follows:

c. Coverage of home oxygen equipment and oxygen will be considered reasonable and necessary only for ~~recipients~~ members with significant hypoxemia, as shown by medical documentation. The physician's, physician assistant's, or advanced registered nurse practitioner's prescription shall document that other forms of treatment have been tried and have not been successful, and that oxygen therapy is required.

(1) and (2) No change.

(3) A second oxygen system is not covered by Medicaid when used as a backup for oxygen concentrators or as a standby in case of emergency. ~~Recipients~~ Members may be provided with a portable oxygen system to complement a stationary oxygen system, or to be used by itself, with documentation from the physician (doctor of medicine or osteopathy), physician assistant, or advanced registered nurse practitioner of the medical necessity for portable oxygen for specific activities.

(4) and (5) No change.

ITEM 9. Adopt the following new subparagraph **78.10(2)“d”(5)**:

(5) Blood glucose monitors and diabetic test strips produced by a manufacturer that does not have a current agreement to provide a rebate to the department for monitors or test strips provided through the Medicaid program. Prior approval shall be granted when the member's medical condition necessitates use of a blood glucose monitor or diabetic test strips produced by a manufacturer that does not have a current rebate agreement with the department.

ITEM 10. Adopt the following new paragraph **78.10(2)“e”**:

e. Blood glucose monitors are covered through the Medicaid program only if:

(1) The monitor is produced by a manufacturer that has a current agreement to provide a rebate to the department for monitors provided through the Medicaid program; or

(2) Prior authorization based on medical necessity is received pursuant to rule 441--79.8(249A) for a monitor produced by a manufacturer that does not have a current rebate agreement with the department.

ITEM 11. Strike “recipient” and “recipient’s” wherever they appear in paragraph **78.10(3)“c”** and insert “member” or “member’s” in lieu thereof

ITEM 12. Adopt the following **new** item in paragraph **78.10(4)“a”**:

Diabetic blood glucose test strips, subject to the limitation in 78.10(4)“c.”

ITEM 13. Amend paragraph **78.10(4)“a,”** the items “diabetic supplies” and “Diapers” as follows:

Diabetic supplies, other than blood glucose test strips (needles, ~~and~~ syringes, ~~blood glucose test strips~~ and diabetic urine test-supplies).

Diapers (for ~~recipients~~ members aged four and above).

ITEM 14. Adopt the following **new** paragraph **78.10(4)“c”**:

c. Diabetic blood glucose test strips are covered through the Medicaid program only if:

(1) The strips are produced by a manufacturer that has a current agreement to provide a rebate to the department for test strips provided through the Medicaid program, or

(2) Prior authorization is received pursuant to rule 441—79.8(249A) for test strips produced by a manufacturer that does not have a current rebate agreement with the department, based on medical necessity.

ITEM 15. Strike “recipient,” “recipient’s,” and “recipients” wherever they appear in rule **441--78.28(249A)** and insert “member,” “member’s, or “members” in lieu thereof.

ITEM 16. Adopt the following **new** paragraph **78.28(1)“k”**:

k. Prior authorization is required for blood glucose monitors and diabetic test strips produced by a manufacturer that does not have a current agreement to provide a rebate to the department for monitors or test strips provided through the Medicaid program. The department shall approve payment when a blood glucose monitor or diabetic test strips produced by a manufacturer that does not have a current rebate agreement with the department are medically necessary.