	<p>POLICIES AND PROCEDURES</p>
<p>Policy #: 404-1603</p>	<p>Lead Department: Utilization Management</p>
<p>Title: Medical Supplies Authorizations</p>	
<p>Original Date: 02/01/1996</p>	<p>Date Published: 12/13/2024</p>
<p>Approved by: Utilization Management Workgroup (UMWG)</p>	

Purpose:

To describe Central California Alliance for Health's (the Alliance's) process for authorization of covered Medical Supplies.


Policy:

1. The Alliance covers medical supplies when prescribed by licensed practitioners within the scope of their practice as defined by California laws following medical necessity guidelines per Alliance Policy 404-1112 - Medical Necessity - The Definition and Application of Medical Necessity Provision to Authorization Requests.
2. Medical supplies are covered for chronic outpatient hemodialysis provided in renal dialysis centers and community hemodialysis units, or for home dialysis, but are payable only when included in the all-inclusive rate paid to the center or unit.
3. Common household items and articles or clothing are not covered (22 CCR section 51320 [b] and 51313.3[3]).
4. Proof of eligibility valid for the date of service is required to bill for medical supplies.
5. Prior authorization is required for any item listed, which is to be used for a clinical condition other than specified for that individual item.
6. Automated processing for DME or medical supply codes does not preclude the requirements for face-to-face encounters and other provider responsibilities pursuant to CCR, Title 22, Section 51321.
7. Most medical supplies are not covered by Medicare and therefore can be billed directly to the Alliance without first being billed to Medicare. See Medicare Non-Covered Services charts linked below:


Medicare Non-Covered Services: HCPCS Codes (medi non hcp)

Medicare Non-Covered Services: CPT® Codes (medi non cpt)

The products and product categories below must be billed to Medicare before being billed to Medi-Cal.

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- a. Enteral feeding supplies,
- b. Insulin syringes,
- c. Ostomy supplies,
- d. Perianal fecal collection pouch,
- e. Tracheostomy supplies, and
- f. Urological supplies.
- g. Incontinence supplies provided to patients in a Nursing Facility Level A (NF-A), Nursing Facility Level B (NF-B) or Intermediate Care Facility – Developmentally Disable (ICD/DD) are reimbursed as part of the facilities daily rate and are not separately reimbursable. Incontinence supplies provided to recipient's in Intermediate Care Facilities – Developmentally Disabled, Habilitative (ICD/DD-H) or Intermediate Care Facilities – Developmentally Disable, Nursing (ICD/DD-N) are separately reimbursable with a Treatment authorization request if billed by an incontinent supply provider.
8. For Medi-Cal Members: Effective October 1, 2022, all Continuous Glucose Monitoring (CGM) Systems will be a covered benefit for Medi-Cal beneficiaries through Medi-Cal Rx only. Coverage is restricted to products on the List of Covered Therapeutic Continuous Glucose Monitoring (CGM) Systems and requires a prior authorization (PA) for reimbursement. Specific coverage criteria continue to apply. Please refer to the List of Covered Therapeutic Continuous Glucose Monitoring (CGM) Systems and the Medi-Cal Rx Provider Manual on the Medi-Cal Rx Web Portal for specific information.
 - a. CGM requests denied by Medi-Cal Rx will be reviewed for medical necessity on a case-by-case basis when self-monitoring of blood glucose (SMBG) is not adequate to manage the member's symptoms. CGM may be considered if it is reasonable and necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain through the diagnosis or treatment of disease, illness or injury, and not primarily for the convenience of the member or health care provider.
9. Upon implementation, pharmacy services billed as pharmacy claims are carved out to Fee-For Service under Medi-Cal Rx for Medi-Cal members. Medi-Cal Rx is responsible for formulary management, prior authorization, and claims processing. Alliance will continue to process prior authorization requests for all pharmacy services rendered before

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implementation date. Alliance will not discontinue and/or void previously approved prior authorizations for pharmacy-related services. Alliance will not automatically set prior authorizations to expire on the transition date.

The provider can submit prior authorization requests to Medi-Cal Rx via:

- ☐ Medi-Cal Rx provider portal www.Medi-CalRx.dhcs.ca.gov
 - ☐ Fax to 1-800-869-4325
 - ☐ CoverMyMeds® www.covermymeds.com
 - ☐ Mail to
Medi-Cal Rx Customer Service Center
Attn: PA Request
PO Box #730
Rancho Cordova, CA 95741-0730.


10. For Alliance Care IHSS members, MedImpact will be responsible for prior authorization request review for pharmacy claims starting 01/01/2022. Prior authorization requests must be submitted to MedImpact via the following methods:

- ☐ Fax (858) 790-7100
MedImpact ePA Program
- ☐ United States (US) Mail
MedImpact Healthcare Systems, Inc.
10181 Scripps Gateway Court
San Diego, CA 92131

Definitions:

Medical Supplies: In order to be considered an Alliance covered benefit, medical supplies must be consumable, non-durable medical supplies that are usually disposable in nature; cannot withstand repeated use by more than one individual; are primarily and customarily used to serve a medical purpose; generally are not useful to a person in the absence of illness or injury; and may be ordered and/or prescribed by a physician.

California Children's Services (CCS): CCS is a state program for children with certain diseases or health problems. Through this program, children up to 21 years of age can get the health care and services they need for CCS-eligible conditions. CCS also provides medical therapy services that are delivered at public schools through their Medical Therapy Unit (MTU).

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Whole Child Model (WCM): The purpose of the WCM program is to incorporate services covered by the CCS Program into Medi-Cal managed care for Medi-Cal-eligible CCS Program members. Managed care plans (MCPs) operating in WCM counties will integrate Medi-Cal managed care and CCS Program administrative functions to provide comprehensive treatment of the whole child and care coordination in the areas of primary, specialty, and behavioral health for CCS-eligible and non-CCS-eligible conditions.

Procedures:


Screening Requirement

1. All providers perform appropriate baseline health assessments and diagnostic evaluations that provide sufficient clinical detail to establish, or raise a reasonable likelihood, that a member has a CCS eligible medical condition. Providers will refer potential CCS-eligible members to the CCS program per Alliance Policy 405-1319 Screening and Referral for Medically Eligible Children to California Children's Services (CCS) Program.
2. Health Services staff will screen for California Children Services (CCS) eligibility. Health Services staff members will refer potential CCS-eligible members to the CCS program per Alliance Policy 405-1319 Screening and Referral for Medically Eligible Children to California Children's Services (CCS) Program.
3. For CCS WCM members, medical supplies that will be used for the treatment of the member's CCS eligible condition may be authorized when prescribed by a CCS paneled physician who is approved to treat the member's CCS eligible medical condition.

Incontinence supplies:

The following requirements and limitations apply to patients receiving incontinence supplies at home or in board and care facilities:

1. The Alliance will not cover incontinence supplies for patients less than five years of age, unless:
 - a. The Alliance may cover incontinence supplies under Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Supplemental Services benefit where the incontinence is due to a chronic developmental delay, and at an age when the child would normally be expected to achieve continence. Providers must obtain prior authorization.
 - b. The Alliance may cover incontinence supplies under the Whole Child Model where the CCS eligible medical condition is the primary cause of the member's chronic incontinence. Providers must obtain prior authorization.

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2. Incontinence supplies, by regulation, are restricted to use in chronic pathologic conditions causing the patient's incontinence. When incontinence is only a short-term problem, and/or when there is no underlying pathologic condition causing the incontinence, providers must obtain prior authorization for incontinence supplies.
3. Prior Authorization is required for requested amounts of product exceeding published frequency limits.
4. "Blanket" incontinence supply orders covering more than one patient, or orders not specific to product type and quantity, are not acceptable.

References:

Alliance Policies:

- 404-1112 - Medical Necessity - The Definition and Application of Medical Necessity Provision to Authorization Requests
- 404-1201- Authorization Request Process
- 403-1103 – Pharmacy Authorization Request Review Process

Impacted Departments:

- Community Care Coordination
- Claims
- Member Services
- Pharmacy
- Provider Services

Regulatory:

- CCR Title 22, Section 51320
- CCR Title 22, Section 51321
- CCS Numbered Letter 11-1017 Insulin Infusion Pumps
- CCS Numbered Letter 04-0317 Enteral Nutrition Products
- CCS Numbered Letter 03-0317 Continuous Glucose Monitoring
- CCS Numbered Letter 10-0707 Oxygen, Oxygen Delivery Equipment, and Related Supplies
- CCS Numbered Letter 08-0703 Incontinence Medical Supplies
- CCS Numbered Letter 09-0703 Durable Medical Equipment
- W&I Code, Section 14125.4


Legislative:

Contractual (Previous Contract):

Contractual (2024 Contract):

- Medi-Cal Contract, Exhibit A, Attachment 3, Provision 2.3.1.C

DHCS All Plan Letter:

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NCQA:

Supersedes:

Other Resources:

Attachments:

Lines of Business This Policy Applies To

- ☐ DSNP
- ☒ Medi-Cal
- ☒ Alliance Care IHSS

LOB Effective Dates

(01/01/2026 – present)

(01/01/1996 – present)

(07/01/2005 – present)

Revision History:

Reviewed Date	Revised Date	Changes Made By	Approved By
04/30/2021	4/30/2021	Tammy Brass, RN UM/CCM Manager	UMWG
06/22/2023	6/22/2023	Carissa Grepo, RN UM Manager – Prior Auth	UMWG
10/19/2023	10/19/2023	Azura Sanchez UM Admin Assistant	UMWG
12/06/2023	12/06/2023	Danah Hernandez, Regulatory Reporting Supervisor	UMWG
12/04/2024	12/04/2024	Tisa Llamas, RN Prior Authorizations Supervisor	UMWG