



## Diabetic Supplies

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<b>State(s):</b> <input checked="" type="checkbox"/> Idaho <input checked="" type="checkbox"/> Montana <input checked="" type="checkbox"/> Oregon <input checked="" type="checkbox"/> Washington <input type="checkbox"/> Other:	<b>LOB(s):</b> <input checked="" type="checkbox"/> Commercial <input checked="" type="checkbox"/> Medicare <input checked="" type="checkbox"/> Medicaid <input checked="" type="checkbox"/> PSA
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## Enterprise Policy

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*Clinical Guidelines are written when necessary to provide guidance to providers and members in order to outline and clarify coverage criteria in accordance with the terms of the Member's policy. This Clinical Guideline only applies to PacificSource Health Plans, PacificSource Community Health Plans, and PacificSource Community Solutions in Idaho, Montana, Oregon, and Washington. Because of the changing nature of medicine, this list is subject to revision and update without notice. This document is designed for informational purposes only and is not an authorization or contract. Coverage determination are made on a case-by-case basis and subject to the terms, conditions, limitations, and exclusions of the Member's policy. Member policies differ in benefits and to the extent a conflict exists between the Clinical Guideline and the Member's policy, the Member's policy language shall control. Clinical Guidelines do not constitute medical advice nor guarantee coverage.*

## Background

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PacificSource Health Plans supports members in screening and appropriate treatment for the diagnosis of diabetes. This includes coverage of appropriate durable medical equipment, medications and supplies for monitoring of blood glucose.

Blood glucose monitors are devices that read color changes produced on specially treated reagent strips by glucose concentrations in the patient's blood. The patient, using a disposable sterile lancet, draws a drop of blood, places it on a reagent strip and, following instructions which may vary with the device used, inserts it into the device to obtain a reading. Lancets, reagent strips, and other supplies necessary for the proper functioning of the device are also covered for patients for whom the device is indicated.

Blood glucose monitors enable certain patients to better control their blood glucose levels by frequently checking and appropriately contacting their attending physician for advice and treatment. Studies indicate that the patient's ability to carefully follow proper procedures is critical to obtaining satisfactory results with these devices.

### CONTINUOUS GLUCOSE MONITORS (CGM)

Continuous glucose monitors (CGMs) automatically track blood glucose levels throughout the day and night. This allows for real-time glucose readings to aid in promoting informed decisions throughout the day. A CGM works through a sensor inserted under your skin, usually on the abdomen or arm. The sensor measures the interstitial glucose level every few minutes and needs to be replaced every 3 to 7 days, depending on the model. A transmitter wirelessly sends the information to a monitor. The monitor may be part of an insulin pump or a separate device, which you might carry in a pocket or purse. Some CGMs send information directly to a smartphone or tablet.

## Criteria

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### Commercial

#### A. Blood Glucose Monitors

PacificSource considers the coverage of a blood glucose monitor medically necessary for the following conditions:

1. The patient has a diagnosis of diabetes;
2. The patient's physician states that the patient is capable of being trained to use the particular device prescribed in an appropriate manner. In some cases, the patient may not be able to perform this function, but a responsible individual can be trained to use the equipment and monitor the patient to assure that the intended effect is achieved. This is permissible if the record is properly documented by the patient's physician;
3. The device is designed for personal use.

There is also a blood glucose monitoring system designed especially for use by those with visual impairments. The monitors used in such systems are identical in terms of reliability and sensitivity to the standard blood glucose monitors described above. They differ by having such features as voice synthesizers, automatic timers, and specially designed arrangements of supplies and materials to enable the visually impaired to use the equipment without assistance.

These special blood glucose monitoring systems for visually impaired members are covered if the following conditions are met:

1. The patient and device meet the three conditions listed above for coverage of standard blood glucose monitors; and
2. The patient's physician certifies that he or she has a visual impairment severe enough to require use of this special monitoring system.

#### B. Continuous Glucose Monitors (CGM)

**Prior authorization is required.**

PacificSource considers the coverage of Continuous Glucose Monitors (CGM), related accessories and supplies medically necessary when the following criteria is met:

1. The member has documentation of Type I Diabetes Mellitus diagnosis;  
**OR**
2. The member has documentation of Type II Diabetes Mellitus diagnosis and **BOTH** of the following:
  - a. The member is currently on insulin treatment of at least three (3) subcutaneous (SubQ) injections daily **OR** on an insulin pump; **and**
  - b. The member performs at least four (4) blood glucose testing's per day with a blood glucose monitoring device.

## C. Insulin and Syringes

Diabetic insulin and syringes are covered expenses under the prescription drug endorsement only. Any receipts submitted for reimbursement will process under the pharmacy benefit. If the group does not have a prescription drug endorsement, the member has no coverage for insulin and syringes.

## D. Other Supplies

Supplies such as lancets, test strips, glucostix, and needle free injection devices can be covered under the medical plan's durable medical equipment (DME) benefit or the prescription drug benefit.

## E. Benefit Coverage

PacificSource members may choose to purchase their diabetic supplies utilizing their pharmacy or DME benefit.

### 1. Pharmacy Coverage

If the member chooses to purchase supplies from the pharmacy to utilize their prescription benefit, use the PacificSource Diabetic Supply formulary online for pharmacy benefit coverage and limitations.

- Members may receive a maximum of 300 or 3 boxes/100 count for a 30 day supply or 900 or 9 boxes/100 count for a 90 day supply of test strips and lancets using their pharmacy benefits.
- Orders exceeding these maximums will require prior authorization by Pharmacy Services. This may be filled within 10 days of exhaustion of supply.
- When a member is unable to use, or chooses **not** to use their prescription benefit, but still purchases these items from a pharmacy, they can submit the receipt for reimbursement.
- If the items were purchased as an over the counter item, reimbursement will be at the non-participating DME benefit, subject to our allowed amount.
- If the items were purchased from the pharmacy counter and processed as a cash prescription, reimbursement will be at the participating pharmacy benefit, but subject to our contracted rates.

### 2. DME Coverage

If the member chooses to purchase the above diabetic supplies from a DME provider, the supplies will be reimbursed using the members DME benefit. Reimbursement is based upon the providers participating or non-participating status, as well as the contracted or allowed amount.

- When using their DME benefit, members may purchase up to a maximum of 300 or 3 boxes/100 count for a 30 day supply or 900 or 9 boxes/100 count for a 90 day supply of test strips or lancets. Orders exceeding this maximum will need pre-authorization by Health Services. This may be filled within 10 days of exhaustion of supply.
- Insulin infusion pumps **do not** require prior authorization.
- Glucose monitors and lancet devices will be covered under the members participating or non-participating DME benefit, based on the provider's status. Members can receive a one-

time free Glucose monitor that will utilize our preferred test strips by contacting Customer Service or Pharmacy Services for assistance.

## Medicaid

PacificSource Community Solutions (PCS) follows Guideline Note 108 of the OHP Prioritized List of Health Services for the coverage of continuous blood glucose monitors.

PacificSource Community Solutions (PCS) follows OAR 410-122-0520 and Guideline Note A2 of the OHP Prioritized List of Health Services for self-monitoring of blood glucose in diabetes.

## Medicare

PacificSource Medicare follows CMS National Coverage Determinations (NCD) 40.2 and Local Coverage Determinations (LCD) L33822 for blood glucose monitors, continuous blood glucose monitors and supplies.

## Coding Information

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The following list of codes are for informational purposes only and may not be all-inclusive. Deleted codes and codes which are not effective at the time the service is rendered may not be eligible for reimbursement.

E1399 Durable Medical Equipment (DME), Miscellaneous

E2102 Adjunctive continuous glucose monitor or receiver

K0553 Supply allowance for therapeutic continuous glucose monitor (CGM), includes all supplies and accessories, 1 month supply = 1 unit of service

K0554 Receiver (monitor), dedicated, for use with therapeutic glucose continuous monitor system

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HCPCS® codes, descriptions and materials are copyrighted by Centers for Medicare and Medicaid Services (CMS).

## Definitions

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**Non-Therapeutic Continuous Glucose Monitor** - requires the user verify their glucose levels or trends displayed on a CGM with a BGM prior to making treatment decisions.

**Therapeutic Continuous Glucose Monitor** - used to make treatment decisions without the need for a stand-alone BGM to confirm testing results

## Related Policies

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Durable Medical Equipment Prosthetics, Orthotics and Supplies (DME POS)

Durable Medical Equipment Rental vs Purchase

Internet and Mail Order Only DME Providers

## References

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The 2019 Medicare Fee-for-Service Supplemental Improper Payment Data

<https://www.cms.gov/files/document/2019-medicare-fee-service-supplemental-improper-payment-data.pdf>

Medicare Coverage of Diabetes Supplies and Services, a publication for beneficiaries

<https://www.medicare.gov/Pubs/pdf/11022-Medicare-Diabetes-Coverage.pdf>

National Coverage Determination (NCD) for Home Blood Glucose Monitors (40.2).

<https://www.cms.gov/medicare-coverage-database/details/ncd-details.aspx?NCDId=222&ncdver=2&IsPopup=y&NCAId=35&NcaName=Home+Blood+Glucose+Monitors&bc=AAAAAAAAAIAAA&>

Social Security Act 1861(s)(6). [https://www.ssa.gov/OP\\_Home/ssact/title18/1861.htm](https://www.ssa.gov/OP_Home/ssact/title18/1861.htm)

## Appendix

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**Policy Number:**

**Effective:** 4/29/2012

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**Policy type:** Commercial

**Author(s):** [Authors]

**Depts.:** Health Services, Customer Service, Claims

**Applicable regulation(s):**

**Commercial Ops:** 6/2022

**Government Ops:** 6/2022