

November 17, 2022

Durable Medical Equipment (DME) Billing Guidance

Historically, North Carolina Medicaid/NCDHHS has utilized a series of local codes for certain Durable Medical Equipment (DME). On 11/1/2019 and 1/1/2020 regions will be going live with the migration of NC Medicaid submissions to the state becoming submissions to the PHP's. DME will need to be billed via HIPAA compliant national HCPCS codes. DME providers billing North Carolina Medicaid member submissions are required to bill the appropriate national HCPCS code electronically via 837P on the professional service (SV1) segment in element location SV101-2. Billing guidelines permit only one HCPCS code per service line on an 837P electronic submission. To read more and see a codes grid, visit our Claims and Billing webpage.

However, in order to provide continuity for DHS to claim submissions prior to the migration, NC Medicaid is requiring that the local W Codes are billed within the description component of the service line of the 837P/837I (Loop2400 Segment SV101-7).

When billing a local W code, it should be submitted in the first five bytes within the SV101-7 description component. If billers have billed non-descript codes in SV101-2 they are required to include additional descriptive information as a line level note per State guidance. **Please follow these billing guidelines to avoid submission rejections with the payer.**

837P Loop 2400 Professional Service (SV1) Segment Example:

SV1*HC:E1399:25::W4001*12.25*UN*1*111:2:3**Y~**

837P Loop 2400 additional information Note (NTE) Segment Example:

NTE*ADD*ADDITIONAL NON DESCRIPT PROCEDURE DESCRIPTION UP TO 80 character/bytes~

Below is a breakdown on the 7 components for the highlighted SV101 element from the above example:

SV101-1: Provider/Service ID Qualifier = HC (Health Care Financing Administration Common Procedural Coding System (HCPCS) Code)

SV101-2: Product/Service ID =E1399 (HCPCS code used for example only)

SV101-3: Procedure Modifier = 25 (Modifier used for example only)

SV101-4, SV101-5 and SV101-6: Procedure Modifier- additional modifier components were not used in the example and represented by three colons (:)

SV101-7: Description = W4001 (Local W Code used for example only)

National HCPCS Codes and Local W Codes Grid

National HCPCS Code	Local W Code	National HCPCS Code	Local W Code
E1399	W4001	E1399	W4153
E1399	W4002	K0108	W4155
K0108	W4005	B9998	W4211
E1399	W4016	B9998	W4212
E1399	W4047	E1399	W4670
K0108	W4117	E1399	W4678
K0108	W4118	E1399	W4688
K0108	W4119	E1399	W4689
E1399	W4120	E1399	W4690
K0108	W4130	E1399	W4691
K0108	W4131	E1399	W4695
K0108	W4132	K0108	W4713
K0108	W4133	K0108	W4714
K0108	W4139	K0108	W4715
K0108	W4140	K0108	W4716
K0108	W4141	K0108	W4717
K0108	W4143	K0108	W4718
K0108	W4144	K0108	W4719
K0108	W4145	K0108	W4722
K0108	W4150	K0108	W4723
K0108	W4152	E1399	W4733

Resource: Implementation Guide: ASC X12N/005010x222 ASC X12 Standards for Electronic Data Interchange

Technical Report Type 3, Health Care Claim Professional (837) May 2006 Version. Contact Washington Publishing Company for more information. www.wpc-edi.com