

# **Indiana Medicaid Resolutions Manual**

NAME: 6065 DME TOTAL RENTAL NOT TO EXCEED PURCHASE  
AMT (DTL)

**ERROR TYPE:** Limit Audit

### HEADER/DETAIL: Detail

**OVERRIDABLE:** Y

**ALLOW DENIAL: Y**

**DESCRIPTION:**

This limitation audit will set when a provider bills for rental of specified DME items and payment has been made to any provider(s) in an amount greater than the allowed amount for purchase of the billed item.

**CRITERIA:**

When rental of specified DME items (see procedure codes within audit rules) are billed with modifiers NU (new equipment) or RR (rental), check claims history. If history shows previous payments as follows, set this audit with EOB 6065:

- a. same member
- b. any provider
- c. same procedure code with either NU or RR modifier
- d. payment for consecutive rental periods
- e. total of payments exceed the Medicaid allowed amount for the purchase of the billed procedure

EXCEPTIONS:

- if the provider is National Seating and Mobility, and;
- if the procedure code is E0192, and
- if the modifier is TG, Force edit 6065

**DISPOSITION:**

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Note: EOB 9999 with a Do Not Post status is for internal system use only. This EOB is used to avoid potential system processing abends. This EOB is not posted on the RA and the disposition may be ignored.

**Claim Type:** 0 - All Claim Types    **Member Plan:** ALL    **Status:** Do Not Post

Location	Region	EOB	Disposition
00	00	9999	PAY

**Claim Type:** M - Professional Claims

**Member Plan:** ALL    **Status:** Post

Location	Region	EOB	Disposition
21	00	6065	PAY
21	52	6065	PAY
21	55	6065	PAY
21	64	6065	PAY

**Claim Type:** M - Professional Claims

**Member Plan:** ALL    **Status:** Post

Location	Region	EOB	Disposition
21	00	6065	SUSPEND
21	30	6065	PAY
21	32	6065	PAY
21	33	6065	PAY
21	34	6065	PAY
21	50	6065	DENY
21	51	6065	DENY
21	52	6065	PAY
21	55	6065	PAY
21	56	6065	DENY
21	57	6065	DENY
21	64	6065	PAY
21	70	6065	PAY
21	72	6065	PAY
21	73	6065	PAY
21	74	6065	PAY

**EOB: 6065** - THIS ITEM HAS BEEN RENTED UP TO THE INDIANA HEALTH COVERAGE PROGRAM MAXIMUM ALLOWED CHARGE FOR PURCHASE.

**ARC Code**

**ARC Description**

**Effective Date**

**End Date**

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45	Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement. Usage: This adjustment amount cannot equal the total service or claim charge amount; and must not duplicate provider adjustment amounts (payments and contractual reductions) that have resulted from prior payer(s) adjudication. (Use only with Group Codes PR or CO depending upon liability)	19950101	22991231
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<b>Remark Code</b>	<b>Remark Description</b>	<b>Effective Date</b>	<b>End Date</b>
M7	No rental payments after the item is purchased, returned or after the total of issued rental payments equals the purchase price.	19970101	22991231

**EOB: 9999 - PROCESSED PER POLICY.**

<b>ARC Code</b>	<b>ARC Description</b>	<b>Effective Date</b>	<b>End Date</b>
97	The benefit for this service is included in the payment/allowance for another service/procedure that has already been	19950101	22991231

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adjudicated. Usage:  
Refer to the 835  
Healthcare Policy  
Identification  
Segment (loop 2110  
Service Payment  
Information REF), if  
present.

### **METHOD OF CORRECTION:**

- Check for keying errors.
- If both cost invoice and retail invoice are required to pay the claim and either invoice is not present, deny the claim with EOB 9024.
- Go to Internet Explorer Project Workbook/Admin.
- On the Administrative Info Window, under the link titled Customer Service Inquiry Menu, click on DME Audit Inquiry.
- Once the DME Audit Inquiry window appears enter the member ID, procedure code and claim date of service. Click the search button.
- If the search comes back with No purchase price for the DOS, force the claim to pay and give the ICN to the team lead.
- Search results will include member name, date of service, total rental amounts(s) paid, number of claim details, equipment purchase price, and equipment purchase price minus all rental amount totals.
- If the combined rental total for the DME claims for RID/Procedure code does not exceed the purchase price. Forced the claim to pay.
- If the combined rental total for the DME claims for the RID/Procedure code exceeds the purchase price. Deny the claim.
- If the combined rental total for the DME claims for RID/Procedure code will meet and exceed the purchase price, you will need to change the allow amount to what is left on the purchase price and force the claim to pay.
- If the balance is a negative (number will be in red) amount, deny the claim.

### **Cutback:**

Claims setting this audit will systematically cutback.