

**Western Highlands Network  
Communication Bulletin # 35  
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**CAP-MR/DD Waiver Equipment and Supply Reimbursement  
Effective July 1, 2006**

As a result of State budgetary reductions and Medicaid direct billing, Western Highlands will modify reimbursement business practices for CAP-MR/DD waiver equipment and supplies. These changes are effective with purchases on and after July 1, 2006.

**Reimbursement**

Western Highlands will no longer reimburse venders for CAP-MR/DD waiver equipment and supplies. Western Highlands will reimburse the case responsible agency for CAP-MR/DD waiver equipment and supply items contingent upon proper claims submission and payment from Medicaid.

**Claims Submission**

1. The case responsible agency must submit CAP-MR/DD waiver equipment and supply claims on CMS-1500, *Health Insurance Claim Form*. Specific instructions on how to complete the CMS-1500 are found in the March 2006, *Basic Medicaid Billing Guide*, Section 5.
2. The CMS-1500 will include a *CAP Supply/Equipment Receipt Confirmation Form* and vender's invoice to validate service delivery as specified in the CAP-MR/DD Manual, section 6.2 and further substantiated by DMA Program Integrity Audits. Claims submitted without a *CAP Supply/Equipment Receipt Confirmation Form* or invoice will deny without payment.
3. Appropriate billing procedure codes, billing units, and maximum allowable rates are on the DMA website <http://www.dhhs.state.nc.us/dma/prov.htm#announce>, under "Fee Schedule".

**Third Party – Coordination of Benefits**

CAP consumers with Medicare or commercial insurance seeking reimbursement from Medicaid are required to first file claims with the third party. Attach a copy of the third party coordination of benefits to the CMS-1500. Claims submitted without a coordination of benefits will deny without payment.

**Requisitions**

Since the case responsible agency will directly requisition CAP-MR/DD waiver equipment and supplies from a vender, Western Highlands will no longer require submission of the *Western Highlands Requisition Form*.