

MEDICAL FOOD INSURANCE COVERAGE

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Led by Raenette Franco, CBCS



**COMPASSION WORKS MEDICAL, LLC
INSURANCE COVERAGE FOR MEDICAL FOODS
AND ENTERAL DIETARY FORMULA
YOUR RESCUE FOR COVERAGE!**

INTRODUCTION

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Disclosure: This presentation is presented for the Emory University – Department of Human Genetics and created by Compassion Works Medical, LLC®. The information provided is not related and/or currently in any conflict of interests bounded by outside business breaching.

INSURANCE TERMINOLOGY

IMPORTANT FACT: Without knowing the proper insurance terminology, understanding insurance coverage for Medical Foods, Enteral Formula and nutritional supplements can be confusing and frustrating.

**Just the
Facts**

The logo consists of the text 'Just the Facts' in a bold, blue, sans-serif font. The word 'Just' is on the top line, 'the' is smaller and positioned between 'Just' and 'Facts', and 'Facts' is on the bottom line. A blue magnifying glass icon is positioned to the right of the word 'the', with its handle pointing towards the top right and its lens pointing towards the word 'Facts'.

Steps to Insurance Coverage for Medical Foods

- Diagnosis driven coverage.
- Stuff You Should Know “Affordability.”
- Be Prepared and remember common insurance words.
- How to write a prescription for low protein food.
- Billing Discrepancies.
- Medicaid Fee Schedules and Coverage.
- Medical Food Resources.
- Our Mission – Questions and Support.

WHAT IS DIAGNOSIS DRIVEN COVERAGE



Diagnosis

Diagnosis-driven coverage: many, many plans determine whether or not medical foods and enteral nutrition is allowed based on the particular medical condition. For example, some plans will cover Medical Foods only if it is needed due to a inborn error of metabolism disorder.

Diagnosis Driven Coverage



- There is coverage **only** for a certain list of diagnosis codes found in the insurance carrier's contract.
- Example: Dx. Code, ICD-10 E70.0 (PKU).
- This could be overlooked at anytime when verifying benefits. Typically there will not be any coverage for medical food benefits. Unless the representative gives a thorough and complete description of benefits. Or if the person verifying benefits ask if the benefit is diagnosis driven.

Diagnosis Driven Coverage

- This also adds to billing discrepancy cases. The insurance carriers claims department could easily deny the claim even though you are covered.
- To avoid denials, claims must be submitted with clinical documentation to show proof of the diagnosis.
- For additional support, ask for a predetermination to avoid claim denials.

Diagnosis Driven Coverage - Questions

- This is overwhelming. I need formula, how do I find out if it's covered?
- Call your insurance company and ask about your in-network/out-of-network benefits for medical foods and enteral nutrition formula. This will give you information regarding any deductibles, copay, and coinsurance. This will also tell you if preauthorization is required.
- Even if your plan tells you that medical foods and enteral nutrition formula is covered, **be aware** that in many cases **it will depend on your diagnosis**.
- Note: Using an incorrect or inaccurate diagnosis code for the purposes of receiving insurance reimbursement is fraud.

Stuff You Should Know “Affordability”

- **Here are some features of insurance plans that not everyone is aware of. These can help offset the cost of therapy and/or help you get better mileage out of your plan.**
- **Health Savings Accounts / Flexible Spending Accounts** - HSA/FSAs allow you to put pre-tax dollars into a "health spending account", that usually comes with a special debit/credit card.
- FSA/HSAs are a great way to offset costs of medical foods, especially for high deductible plans or if your insurance refuses to cover medical foods. (That's right: your HSA/FSA money can be spent on medical foods even if insurance won't cover it!)

HSA/FSAs are tied to employers, **not** health insurance companies. To find out if you are eligible for an HSA/FSA, or to set one up, contact your employer's HR department.

Stuff You Should Know “Affordability”

- **Gap Exceptions** - This one is probably one your insurance company doesn't want you to know about. A "gap exception" can be used to see an out-of-network provider at in-network rates. Gap exceptions apply when there are no equivalent in-network specialists of the provider you want to see, within a certain mileage radius.
- **State mandates:** Did someone say “deductible waiver”? Yes! Particular state mandates for medical food and enteral nutrition coverage outline waiving deductibles such as Pennsylvania. This helps people afford their medical foods better if there is a deductible waiver in your state mandate....

Continue State mandates next slide.....

Be prepared - Check List



ARE YOU
PREPARED?

- ✓ **Understanding health benefit policy guidelines:**
Read through the Creditable Coverage policy for an accurate description of medical food/formula benefits before calling insurance carriers for questions.
- ❖ Key words: **ENTERAL, MEDICAL FOODS, NUTRITION, FORMULA, SUPPLEMENTS, EXCLUSIONS.**
- ❖ HCPCS Codes: **B4155, B4156, B4157, B4162, B9998, S9435, S9434 (for solid low protein PKU foods). B4104- additive for enteral formula (vitamin coverage).**

Remembering Insurance words

- ✓ **Medical Foods** – A product designed for any particular medical condition (i.e. PKU). Typical service code S9435 - Medical foods for inborn errors of metabolism
- ✓ **Enteral Formula: Enteral means feeding orally or tube feeding** – described by insurance carriers as dietary supplements or nutritional supplements prescribed by a physician for a particular medical condition. A “BO” billing modifier is used to describe feeding oral when billed with the service codes (i.e. B4157, B4162, etc.)
- ✓ **Low Protein Foods:** Modified solid food supplements for inborn errors of metabolism. Service code S9434 and S9435. This is for any particular inborn of error metabolism disease that requires modified solid foods. Typically used for PKU.

Insurance words

- ✓ **Pre-authorization:** A required process by your insurance carrier before coverage begins.
- ✓ **Predetermination:** A predetermination is a courtesy and helpful information towards any future denials. This is optional and best to ask when verifying benefits.

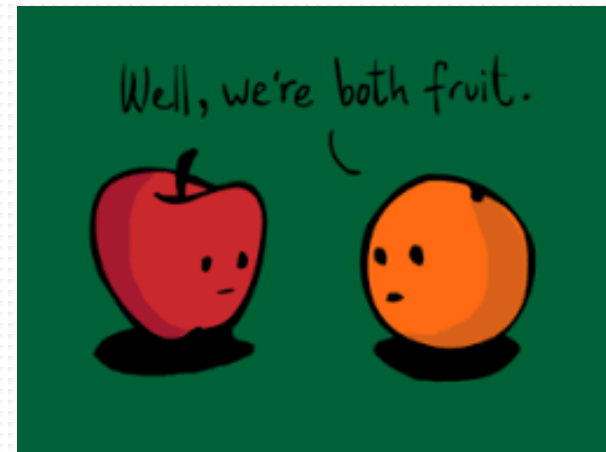
*Note: Ask the health carriers benefit specialist if a predetermination is optional, if so they usually give a fax number to send medical records. Better to have something in writing to be prepared for any possible denials.

Insurance words

- ✓ **A path way to increase your insurance benefit limits – Out-of-Pocket Maximum/Limit:** Sometimes confused with deductible. The most you have to pay for covered services in a plan year (*a dollar amount limit given by your health insurance company*). After you spend this amount on deductibles, copayments, and coinsurance, your health plan pays 100% of the costs of covered benefits. The out-of-pocket limit does not include your monthly premiums. Also, this does not have to be met before insurance pays their part.
- ✓ **What are Exclusions:** Items or conditions that are not covered by the general insurance contract. However, some honor state mandates. Also, there are ways to help remove exclusions through employer benefits (i.e. Medical food exclusion removal letters)
- ✓ **What is an Allowed Amount:** A Maximum amount on which payment is based for covered health care services. This may be called “eligible expense,” “payment allowance” or “negotiated rate.” If your provider charges more than the allowed amount, you may have to pay the difference (this is mostly for out-of-network providers only).

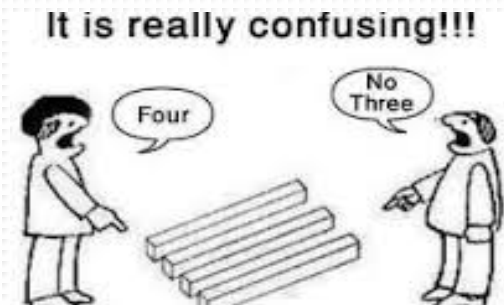
WHAT IS A BILING DISCREPANCY WITH INSURANCE COVERAGE?

A discrepancy exists between things which ought to be the same.

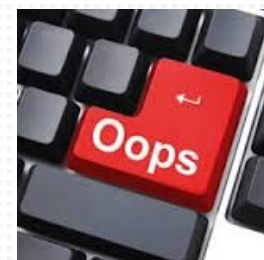


What is a Billing Discrepancy?

- **Questions - I have received a bill from my supplier even though I am covered. Or, I have received an enormous bill from my supplier.**
- This is called a billing discrepancy between insurance carriers and suppliers. Very common!
- Your patients will turn to you for help. It's still considered coverage support. Panic button for formula supply!
- There are many reasons why people still get bills after knowing they are covered. It all follows after the most common reason.
- **Next slide.....**



Billing Discrepancy Reasons



- **Common reason: Human Error**

Human Error is the most common reason why claims are denied! It all depends on the person submitting the claim and the person reviewing the claim.

- Person submitting the claim is the supplier.
- Person reviewing the claim is the insurance carrier.


Medical billing is very tedious.....

- If the claim is not submitted properly with the correct codes, clinical documentation, authorization numbers, the insurance company will deny the claim. Than the supplier will send a bill to your patient for a non-covered service.
- It is the suppliers responsibility to collect payment from your patients insurance carrier. They already verified benefit coverage with the insurance carrier, why not argue for payment.
- If the supplier does not argue by reprocessing or appealing, than your patient has the right to argue with the insurance company.

How to argue a Billing Discrepancy?

- ✓ **Collect your patients invoices from the supplier and EOB's (Explanation of Benefits).**
- ✓ **Compare the invoices to your patients EOB's and look for denial codes/reasons.**
 - If the denial code indicates “non-covered service”, contact your patients insurance plan right away and explain the coverage information given at the insurance verification of benefit including the representative name, date and reference number.
 - After coverage is verified, contact your patients supplier and have them reprocess the claim or submit appeals. **Give representative name, date and reference number **
- ✓ **Make sure the HCPCS/service code matches the description of service (food order).** There could be a chance that the supplier submitted incorrect codes.
- ✓ **Check the “patient owe” area on EOB.** If there is a dollar amount, there may be a deductible that needs to be met before coverage. If not and the deductible has already been met, contact your patients insurance carrier and explain the billing discrepancy from your supplier. Once you receive a practical response, contact your patients supplier to help correct the claim.

Billing Discrepancy Resources

- The process of helping your patient argue a billing discrepancy between their insurance carrier and supplier could be time consuming, frustrating and demanding.
 - Without having the proper knowledge of insurance terminology and medical billing could be challenging.
 - To help reduce your time, let the supplier take care of their payments. Contact the supplier and ask to work with one person. Than contact your patient to keep you in the loop of the process.
 - Also, Medical Food manufacture companies have internal insurance navigators, but they only help to a certain point. They generally do not help with billing discrepancies. However, they will assist with bridge samples pending coverage support.
 - Contact Raenette Franco, CBCS (Certified Biller Coder Specialist) to help your patient!
- The logo for RESCUER features a blue circular icon with a white arrow pointing right, followed by the word "RESCUER" in a bold, red, sans-serif font.
- Note: A typical resource for billing discrepancy cases would be to work with a medical biller that is familiar with medical food coverage.

Medicaid Fee Schedules and Coverage

Allowed amounts and coverage



Medicaid Fee Schedules and Coverage

- Medicaid covers services only if the HCPCS codes are listed on the fee schedule and described in the provider manual. If not listed, you could ask for an exception based on medical necessity.
- HCPCS codes for medical foods/enteral nutrition; B4149, B4150, B4152, B4153, B4154, B4155, B4157, B4158, B4162, B9998, S9435.
- To find Medicaid States Fee schedules, you will need to go to each states Medicaid website under “provider portal”, search for provider manual and fee schedules should be in the same area. Or type fee schedule in the search box area.

STATE MEDICAL COVERAGE & FEE SCHEDULE

- Enteral nutrition products for all ages with the product identification numbers in the following nutrition List are reimbursable, subject to authorization. The maximum reimbursement for enteral nutrition products is the Estimated Acquisition Cost (EAC) plus a markup, Reimbursement guidelines for all medical supply items, including enteral nutrition products dispensed through fee-for-service.
- The price on file Estimated Acquisition Cost (EAC) for the item plus the markup and tax (if applicable). Example: EAC for enteral nutrition products can Average Wholesale Price (AWP) minus 10% invoice price, catalog price, or a contracted price
- Prior Authorization: Product numbers approved on a Treatment Authorization Request (TAR) must be the same product number dispensed and claimed, no exceptions. Authorization for all enteral nutrition products is limited to a 31-day supply.

MEDICAL FOOD RESOURCES



Resources for Medical Food Assistance

- **Let's talk about**
- The resources on the next slide I believe are a God sent for helping people struggling with coverage as well as afford and staying on their diets.
- On the other hand, why not try to help your patients get covered **first** through many insurance options before asking for assistance from the grant programs and save the funding for last resort (no other coverage options), samples or emergencies. Monies could runout pretty quickly when relying on the program at a certain periods of time. I believe if we could help your patients get coverage first through other options these assistance plans save money and lasts longer.
- **Do you Agree?**

Resources for Medical Food Assistance - Other Options.

- There are many other coverage/insurance options such as,
 - Working with your patients current insurance carrier,
 - Assisting your patient obtain Medicaid or Medicaid medically needy programs (for people not eligible for Medicaid),
 - Switching your patients from Medicare and Medicaid straight state plans to an advantage/managed plans for coverage leniency,
 - Assisting your patient for insurance carrier comparisons through [healthcare.gov](https://www.healthcare.gov). this is for patients that tried long enough with their current plan and obtaining a secondary plan or opting out of primary,
 - Patient financial assistance programs found through a supplier (i.e. DME).

FUN QUIZ!

D. Medicaid covers medical food services only if ?

1. the state law requires coverage.
2. the HCPCS codes are listed on the fee schedule.
3. your income is below the state poverty level.



Coming together is a Beginning...

Keeping together is Progress...

Working together is a Success!

Rule No. 1: Never take NO for an answer!

- **This presentation is based on actual experiences. I believe there are no true experts with all of the answers.**
- **So let's face the facts, patients NEED an Advocate preferably with a medical food-insurance background . Professional Individuals to be champions to (1) TRANSLATE what's being told, (2) ASK THE RIGHT QUESTIONS that patients 'don't know to ask', and (3) COMMUNICATE upwards, downwards and sideways.**
- *For support and questions on medical food insurance coverage for all types of Inherited Metabolic diseases, please contact Compassion Works Medical at (973) 832-4736;*
- *email: support@compassionworksmedicalmrs.com.*

QUESTIONS AND SUPPORT

- How to get help....



- **Contact Compassion*Works Medical Reimbursement Specialists/Consultants, LLC at:**

Raenette Franco, CEO, CBCS, Founder of Compassion Works Medical, raenettef@compassionworksmrs.com. (973) 832-4736
or email: raenettef@compassionworksmrs.com

We want to help you get there!

YOUR RESCUE FOR COVERAGE

Compassion*Works mission is to provide true Medical Food Coverage/Reimbursement support to clinics and people with all types of rare genetic diseases. A place you can trust!

Our way of working is unique and not mechanical or “too” corporate. We are natural and ourselves kind of professionals. We work on a personal level with all of our clients.

We are the first responders for coverage support!

You are not alone. We are here to hold your hand all the way through the difficult tasks of medical food coverage!



The first habit of the heart: We're all in this together!