A Message to

Business Office Managers

South NJ office: 8000 Midlantic Drive, Suite 333, Mount Laurel NJ 08054
North/Central NJ office: 485 Route 1 South, Building C, Iselin, NJ 08830

TO: **AmeriHealth Participating Surgery Centers in New Jersey**

From: **Kathleen Sullivan, RN**
Hospital & Ancillary Contract Director

Date: **July 19, 2004**

Re: **Non-Covered Medical Equipment**

This notice is intended to advise surgery centers of AmeriHealth's coverage policy concerning certain medical devices sometimes prescribed following orthopedic procedures.

Specifically, water circulating cold pad equipment with a pump (HCPCS code E0218) and other non durable medical equipment cooling devices are not covered by AmeriHealth. A device in which ice water is put in a reservoir and then circulated through a pad by means of gravity is not considered durable medical equipment (DME). These devices are known by various names, such as Cryocuff unit, Polarcare unit, or IceMan Therapy unit. Other devices (not all-inclusive) which are also not considered to be DME are: single use packs which generate cold temperature by a chemical reaction; packs which contain gel or other material which can be repeatedly frozen; simple containers in which ice water can be placed.

Under the terms of your AmeriHealth provider Agreement, all medically necessary services and supplies related to the member's surgery, excluding personal comfort items, are covered as part of the surgery as long as preauthorization from AmeriHealth is obtained. The payment for such services is subject to preauthorization by AmeriHealth. Payment is rendered to the surgery center, and constitutes full reimbursement for the surgical episode.

Should the member require post surgical medical equipment for use in the home, an AmeriHealth participating Durable Medical Equipment (DME) provider must supply the equipment unless otherwise preauthorized by AmeriHealth. Orders for home medical equipment are subject to preauthorization and review of medical necessity by AmeriHealth. Preauthorization must be obtained before the item is furnished or delivered to the member. AmeriHealth's toll free preauthorization number is 1-800-227-3116.

AmeriHealth HMO cannot reimburse for most home medical equipment without a preauthorization. Should the physician or surgery center provide or order equipment for a member without preauthorization, a separate claim may not be paid, and the member may not be billed or submitted to collections. Please coordinate the ordering of home equipment with AmeriHealth, so that the equipment may be delivered when needed.

Nonparticipating medical equipment providers seeking payment for services or post-operative medical equipment provided without an authorization must seek reimbursement from the surgeon or the facility that ordered the equipment.

Should you have any questions about this bulletin, please call your Ancillary Service coordinator at 732-726-6700.

Please share this information with appropriate personnel!