



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

201 W. Preston Street • Baltimore, Maryland 21201

Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – Joshua M. Sharfstein, M.D., Secretary

August 5, 2013

MEMORANDUM

To: Durable Medical Equipment, Disposable Supplies and Oxygen Providers

From: Deneen Ratchford, Supervisor

Note: Please ensure that appropriate staff members in your organization are informed of the contents of this memo

Subject: Clarification of DME Transmittal no. 67 (2013 Rate reduction)

This memo clarifies Maryland Medicaid transmittal no. 67, addressing the July 1, 2013 rate reduction of Durable Medical Equipment, Disposable Supplies and Oxygen services.

Recently, the Durable Medical Equipment, Disposable Supplies and Oxygen Unit (DME/DMS/OXY) issued a transmittal announcing the reduction of the reimbursement rate of DME/DMS/OXY services from 90 percent to 85 percent of Medicare's rate. Effective July 1, 2013, Medicare began phase one of Competitive Bidding. Since Maryland Medicaid is not currently participating in competitive bidding, the reduction will be taken from Medicare's April 2013 fee schedule when billing for non-dual eligible fee-for-service recipients.

Should you have any questions pertaining to this correspondence, you may contact me at 410-767-1739 or via email at Deneen.Ratchford@maryland.gov. Thank you for your continued service to our Maryland Medicaid community.