



June 17, 2015

Announcement 932

Attention Provider Type 33: Policy Refresher on Durable Medical Equipment Rent-to-Purchase Option

Per Medicaid Services Manual (MSM) Chapter 1300, Sections 1303.3, 1303.3.a.4.a and b: Items identified in the DMEPOS Fee Schedule with a rental and purchase option require prior authorization to determine if the recipient's needs justify rental or purchase based on the item prescribed, the individual's anticipated length of need and prognosis (as determined by the prescriber) and cost effectiveness to the Division of Health Care Financing and Policy (DHCFP)/Nevada Medicaid and Nevada Check Up.

- a. The DHCFP allows rental of certain DMEPOS items up to the provider's Usual and Customary Charge (UCC) for purchase, or the maximum Medicaid allowable purchase price of the item; whichever is less.
- b. Unless the item is identified in the DMEPOS Fee Schedule as a rental only, once the total cumulative rental payments have reached the lower of UCC or maximum Medicaid allowable purchase rate, the item is considered purchased in full and recipient-owned.