



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

MEMORANDUM

DATE: November 8, 2023

TO: All Louisiana Medicaid Prescribing Providers and Pharmacists

FROM: Kimberly Sullivan, Interim Medicaid Executive Director *KCS*

SUBJECT: Louisiana Medicaid Pharmacy Diabetic Supplies
Reimbursement Update

On October 28, 2023, the Louisiana Medicaid Fee for Service (FFS) Pharmacy Program and Managed Care Organizations (MCOs) updated reimbursement for diabetic supplies as an outpatient pharmacy benefit. This memo will retract coverage of cannulas and reservoirs as a pharmacy benefit since these agents will continue to be covered as a Durable Medical Equipment (DME) benefit. The policy update applies to pharmacy claims submitted to FFS and MCOs (Aetna, AmeriHealth Caritas, Healthy Blue, Humana Healthy Horizons, Louisiana Healthcare Connections, and UnitedHealthcare).

Diabetic Supplies on the Preferred Drug List

Diabetic supplies will be added to the Medicaid Single Preferred Drug List to have one list of preferred/non-preferred products. **Effective December 1, 2023, diabetic supplies will be limited to pharmacy claims only.**

Diabetic Supplies

Diabetic supplies reimbursement moved to the pharmacy program in accordance with La. R.S. 46:450.8.

Effective with dates of service on or after December 1, 2023, the following diabetic supplies will be reimbursed as a **pharmacy benefit only**. Durable Medical Equipment (DME) claims will deny.

- Diabetes Glucose Meters
- Diabetic Test Strips
- Continuous Glucose Meters
- Transmitters and Sensors
- External Insulin Pumps (i.e. Omnipod and V-Go)
- Control Solution

- Ketone Test Strips
- Lancets and Devices
- Pen Needles
- Re-usable Insulin Pens
- Syringes

***Cannulas and reservoirs will remain a DME benefit.**

Reimbursement of Diabetic Supplies

Reimbursement shall be based on the lower of:

1. The wholesale acquisition cost (WAC) plus the professional dispensing fee; or
2. The provider's usual and customary charge to the general public.

Quantity Limit for Diabetic Supplies

Select diabetic supplies and continuous glucose monitors (CGM) will be subject to a quantity limit.

Pharmacy claims that exceed the quantity limit will deny at Point of Sale (POS) with:

MCO Only: The pharmacy claim will deny with a **NCPDP rejection code**.

FFS Only: **NCPDP rejection code 76** (Quantity and/or days' supply exceeds program maximum) mapped to
EOB code 457 (Quantity and/or days' supply exceeds maximum.)

Additional Information:

Preferred products and prior authorization criteria for continuous glucose monitors will be posted on the Single PDL at <https://ldh.la.gov/assets/HealthyLa/Pharmacy/PDL.pdf>. The Managed Care Organizations (MCOs) will no longer have their own diabetic supply preferred lists.

Diabetic test strips and lancets will continue to be subject to the current quantity limits and diagnosis codes posted at:
<https://ldh.la.gov/assets/HealthyLa/PDL/12.1.2020/Diabetes.Strips.Lancets.Quantity.Limit.11192020.pdf>.

Refer to the chart at the end of the document for "Louisiana Medicaid Continuous Glucose Monitoring Devices."

LA Medicaid Pharmacy Diabetic Supplies Reimbursement Update

November 6, 2023

Page 3

If you have questions about the content of this memo, you may contact the FFS pharmacy help desk by phone at (800) 437-9101.

If you have questions about pharmacy claims billing, you may contact the appropriate plan at their pharmacy help desk listed in the chart below.

Healthcare Provider	Pharmacy Help Desk	Pharmacy Help Desk Phone Number
Aetna, AmeriHealth Caritas, Healthy Blue, Humana Healthy Horizons, Louisiana Healthcare Connections, UnitedHealthcare	Magellan*	(800) 424-1664
Fee for Service	Gainwell Technologies	(800) 648-0790

Please forward this notice to other providers to assist with notification. Your continued cooperation and support of the Louisiana Medicaid Program efforts to coordinate care and improve health are greatly appreciated.

KS/MBW/GJS

c: Healthy Louisiana Plans
 Melwyn B. Wendt
 Gainwell Technologies
 Magellan

Enclosure

Continuous Glucose Monitoring Devices (CGMs)- including sensor, transmitter, receiver	Preferred/Non-Preferred Status
Refer to Single PDL https://ldh.la.gov/assets/HealthyLa/Pharmacy/PDL.pdf	Preferred/Non-Preferred
Product/Product Line	Quantity Limit
Dexcom® Receivers	1 receiver per year*
Dexcom® Transmitters	1 transmitter per 90 days
Dexcom® Sensors	3 sensors per 30 days
Eversense® Sensor (implanted by healthcare professional)	1 sensor per 180 days
Eversense® Smart Transmitter	1 transmitter per year*
Freestyle Libre® Readers	1 reader per year*
Freestyle Libre® Sensors	2 sensors per 28 days
Guardian™ Transmitter	1 transmitters per year*
Guardian™ Sensors	5 sensors per 30 days
<i>* based on manufacturer warranty</i>	
Product	Quantity Limit
Blood Glucose Meters	1 meter per year
Blood Glucose Test Strips and Lancets for Gestational Diabetes, Diabetes in Pregnancy, or Diabetes With Insulin Use	200/204 test strips per 30 days† 200/204 lancets per 30 days†
Blood Glucose Test Strips and Lancets for Diabetes Without Insulin Use	100/102 test strips every 90 days† 100/102 lancets every 90 days†
<i>† use the preferred package size and dispense up to the quantity limit based on directions</i>	