

## **51521 Durable Medical Equipment**

### **(a)**

Reimbursement for the rental or purchase of durable medical equipment, except wheelchairs, wheelchair accessories, and speech-generating devices and related accessories, shall be the lesser of: (1) The amount billed pursuant to Section 51008.1, or (2) An amount that does not exceed 80 percent of the lowest maximum allowance for California established by the federal Medicare Program for the same or similar item or service, or (3) The guaranteed acquisition cost negotiated by means of the contracting process provided for pursuant to Welfare and Institutions Code Section 14105.3 plus a percentage markup to be established by the Department.

#### **(1)**

The amount billed pursuant to Section 51008.1, or

#### **(2)**

An amount that does not exceed 80 percent of the lowest maximum allowance for California established by the federal Medicare Program for the same or similar item or service, or

#### **(3)**

The guaranteed acquisition cost negotiated by means of the contracting process provided for pursuant to Welfare and Institutions Code Section 14105.3 plus a percentage markup to be established by the Department.

**(b)**

Reimbursement for wheelchairs and wheelchair accessories, and speech-generating devices and related accessories shall be the lesser of: (1) The amount billed pursuant to Section 51008.1, or (2) An amount that does not exceed 100 percent of the lowest maximum allowance for California established by the federal Medicare Program for the same or similar item or service, or (3) The guaranteed acquisition cost negotiated by means of the contracting process provided for pursuant to Welfare and Institutions Code Section 14105.3 plus a percentage markup to be established by the Department.

**(1)**

The amount billed pursuant to Section 51008.1, or

**(2)**

An amount that does not exceed 100 percent of the lowest maximum allowance for California established by the federal Medicare Program for the same or similar item or service, or

**(3)**

The guaranteed acquisition cost negotiated by means of the contracting process provided for pursuant to Welfare and Institutions Code Section 14105.3 plus a percentage markup to be established by the Department.

**(c)**

Reimbursement for all durable medical equipment billed to the Medi-Cal Program utilizing codes with no specified maximum allowable rate shall be the lesser of:

(1) The amount billed pursuant to Section 51008.1, or (2) The guaranteed acquisition cost negotiated by means of the contracting process provided for pursuant to Welfare and Institutions Code Section 14105.3 plus a percentage markup to be established by the Department, or (3) The actual acquisition cost

plus a markup to be established by the Department, or (4) The manufacturer's suggested retail purchase price, on June 1, 2006, documented by a printed catalog or a hard copy of an electronic catalog page showing the price on that date, and reduced by a percentage discount not to exceed 20 percent, or not to exceed 15 percent for wheelchairs and wheelchair accessories if the provider employs or contracts with a qualified rehabilitation professional, as defined in paragraph (3) of subdivision (c) of Welfare and Institutions Code Section 14105.485, or (5) A price established through targeted product-specific cost containment provisions developed with providers.

**(1)**

The amount billed pursuant to Section 51008.1, or

**(2)**

The guaranteed acquisition cost negotiated by means of the contracting process provided for pursuant to Welfare and Institutions Code Section 14105.3 plus a percentage markup to be established by the Department, or

**(3)**

The actual acquisition cost plus a markup to be established by the Department, or

**(4)**

The manufacturer's suggested retail purchase price, on June 1, 2006, documented by a printed catalog or a hard copy of an electronic catalog page showing the price on that date, and reduced by a percentage discount not to exceed 20 percent, or not to exceed 15 percent for wheelchairs and wheelchair accessories if the provider employs or contracts with a qualified rehabilitation professional, as defined in paragraph (3) of subdivision (c) of Welfare and Institutions Code Section 14105.485, or

**(5)**

A price established through targeted product-specific cost containment provisions

developed with providers.

**(d)**

Reimbursement for all durable medical equipment supplies and accessories billed to the Medi-Cal program shall be the lesser of: (1) The amount billed pursuant to Section 51008.1, or (2) The acquisition cost plus a 23 percent markup.

**(1)**

The amount billed pursuant to Section 51008.1, or

**(2)**

The acquisition cost plus a 23 percent markup.

**(e)**

In addition to other required information, billings for equipment reimbursed "By Report," whether listed or unlisted, shall include or be accompanied by a description of the equipment indicating: (1) The manufacturer's name and suggested retail price for the equipment. (2) Description of and justification for any special features of the equipment such as custom modifications or special accessories. (3) If an unlisted item, the reason a listed item cannot be used.

**(1)**

The manufacturer's name and suggested retail price for the equipment.

**(2)**

Description of and justification for any special features of the equipment such as custom modifications or special accessories.

**(3)**

If an unlisted item, the reason a listed item cannot be used.

**(f)**

Billings for wheelchairs, whether listed or unlisted, shall include or be accompanied by a description of the equipment indicating the manufacturer's name, model

designation and suggested retail price.

**(g)**

In addition to other required information, billings for repair and maintenance shall include or be accompanied by a written description of the service indicating: (1) The reason or justification for repair and the services provided. (2) The labor time involved (may be rounded to the nearest half hour for the total repair job) and the hourly charge for labor. (3) The manufacturer's name and catalogue numbers of parts used.

**(1)**

The reason or justification for repair and the services provided.

**(2)**

The labor time involved (may be rounded to the nearest half hour for the total repair job) and the hourly charge for labor.

**(3)**

The manufacturer's name and catalogue numbers of parts used.

**(h)**

Maximum reimbursement rates established by the Department include payment for the following services. No additional reimbursement shall be allowed for these services except as provided below. (1) Freight, delivery or transportation, except as necessary to cover the additional costs of required, atypical services not otherwise covered in the maximum reimbursement rates. (2) Installation, setup or instruction in the use of equipment. (3) Repair, maintenance or routine servicing of rental equipment.

**(1)**

Freight, delivery or transportation, except as necessary to cover the additional costs of required, atypical services not otherwise covered in the maximum reimbursement rates.

**(2)**

Installation, setup or instruction in the use of equipment.

**(3)**

Repair, maintenance or routine servicing of rental equipment.

**(i)**

Purchased equipment shall be guaranteed for a period of at least six months from the date of purchase. Out-of-guarantee repairs shall be guaranteed for a period of at least three months from the date of such repair. No reimbursement shall be allowed for parts or labor during a guarantee period if the need for repair is due to a defect in materials or workmanship.

**(j)**

Monthly rental rates shall apply to calendar month periods, or their equivalent.