

Jim Doyle
Governor

Karen E. Timberlake
Secretary



State of Wisconsin
Department of Health Services

DIVISION OF LONG TERM CARE

1 WEST WILSON STREET
PO BOX 7851
MADISON WI 53707-7851

Telephone: 608-266-0036
FAX: 608-266-2579
TTY: 888-241-9432
dhs.wisconsin.gov

Date: January 10, 2011

To: Managed Care Organizations

From: Monica Deignan, Office of Family Care Expansion (OFCE)
Monica Deignan
Tom Lawless, Bureau of Financial Management (BFM)
Tom Lawless

Re: Changes in Coverage for Negative Pressure Wound Therapy Pumps in Medicaid Nursing Home Daily Rate

Managed Care Organizations (MCOs) pay contracted Medicaid certified nursing homes a daily rate based on the Medicaid fee-for-service rate method correlated to the acuity of MCO's enrollees residing in the nursing home. The nursing home daily rate includes the supports and services as defined by Medicaid fee-for-service (FFS) for what is included in that daily rate and what is separately billable.

Effective July 1, 2010 Medicaid FFS is separately reimbursing the rental of negative pressure wound therapy pumps (wound vac) apart from the nursing home daily rate. Reimbursement for the rental of the negative pressure wound therapy pump (which includes dressing and supplies when part of the total rental rate) is no longer part of the nursing home daily rate and cannot be included as part of the nursing home's cost reports. For dates of service after July 1, 2010 the nursing homes are instructed to bill Medicaid separately for wound vac rental. Forward Health instructions for this change are covered in Update December 2010 No. 2010 104.

<https://www.forwardhealth.wi.gov/kw/pdf/2010-104.pdf>

Effective January 1, 2011 MCOs will authorize and reimburse nursing homes separately for negative pressure wound therapy pump rental for members in the nursing home. For dates of service between July 1, 2010 and December 31, 2010, nursing homes can bill and receive reimbursement from Medicaid for the wound vac pump rental. Nursing homes will be provided instructions for how to submit their claims for this interim period.

The current Medicaid rate for the wound vac rental is \$46.82/ day for the first 90 days, after day 90 the Medicaid rate is \$24.31/ day. MCO authorization and utilization criteria will follow the Resource Allocation Decision (RAD) method. MCOs may find the FFS criteria for MA utilization a useful reference point in this process.

MCOs questions about this information can be directed to Deborah Rathemel at Deborah.rathemel@wisconsin.gov or 608-267-3712. Questions related to FFS MA implementation should be directed to Forward Health Provider Services at (800) 947-9627 or via their website at www.forwardhealth.wi.gov/