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## **1.0 Description of the Service**

Diabetes outpatient self-management education (DSME) is an interactive, ongoing process of teaching the knowledge, skills and abilities needed for diabetes self-care. The process combines the needs, goals, and life experiences of the diabetic recipient and certified diabetes educator(s) and is guided by evidence-based standards. This process includes

- a. Assessment of the individual's specific education needs
- b. Identification of the individual's specific diabetes self-management goals
- c. Education and behavioral intervention directed toward helping the individual achieve identified self-management goals
- d. Evaluation of the individual's attainment of identified self-management goals

The American Diabetes Association's National Standards for DSME are designed to define quality DSME and to assist certified diabetes educators to provide evidence-based education. Diabetes education is effective for improving clinical outcomes and quality of life when programs incorporate behavioral and psychological strategies and also include culturally and age-appropriate programs utilizing individual and group education.

## **2.0 Eligible Recipients**

### **2.1 General Provisions**

Medicaid recipients may have service restrictions due to their eligibility category that would make them ineligible for this service.

### **2.2 EPSDT Special Provision: Exception to Policy Limitations for Recipients under 21 Years of Age**

#### **42 U.S.C. § 1396d(r) [1905(r) of the Social Security Act]**

Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) is a federal Medicaid requirement that requires the state Medicaid agency to cover services, products, or procedures for Medicaid recipients under 21 years of age **if** the service is **medically necessary health care** to correct or ameliorate a defect, physical or mental illness, or a condition [health problem] identified through a screening examination\*\* (includes any evaluation by a physician or other licensed clinician). This means EPSDT covers most of the medical or remedial care a child needs to improve or maintain his/her health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems. Medically necessary services will be provided in the most economic mode, as long as the treatment made available is similarly efficacious to the service requested by the recipient's physician, therapist, or other licensed practitioner; the determination process does not delay the delivery of the needed service; and the determination does not limit the recipient's right to a free choice of providers.

EPSDT does not require the state Medicaid agency to provide any service, product, or procedure

- a. that is unsafe, ineffective, or experimental/investigational.
- b. that is not medical in nature or not generally recognized as an accepted method of medical practice or treatment.

Service limitations on scope, amount, duration, frequency, location of service, and/or other specific criteria described in clinical coverage policies may be exceeded or may not apply as long as the provider's documentation shows that the requested service is medically necessary "to correct or ameliorate a defect, physical or mental illness, or a condition" [health problem]; that is, provider documentation shows how the service, product, or procedure will correct or improve or maintain the recipient's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

**\*\*EPSDT and Prior Approval Requirements**

- a. If the service, product, or procedure requires prior approval, the fact that the recipient is under 21 years of age does **NOT** eliminate the requirement for prior approval.
- b. **IMPORTANT ADDITIONAL INFORMATION** about EPSDT and prior approval is found in the *Basic Medicaid Billing Guide*, sections 2 and 6, and on the EPSDT provider page. The Web addresses are specified below.

*Basic Medicaid Billing Guide:* <http://www.ncdhhs.gov/dma/medbillcaguide.htm>

EPSDT provider page: <http://www.ncdhhs.gov/dma/EPSDTprovider.htm>

### 3.0 When Diabetes Outpatient Self-Management Education Is Covered

**IMPORTANT NOTE:** EPSDT allows a recipient less than 21 years of age to receive services in excess of the limitations or restrictions below and without meeting the specific criteria in this section when such services are **medically necessary health care services** to correct or ameliorate a defect, physical or mental illness, or a condition [health problem]; that is, documentation shows how the service, product, or procedure will correct or improve or maintain the recipient's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

**EPSDT DOES NOT ELIMINATE THE REQUIREMENT FOR PRIOR APPROVAL IF PRIOR APPROVAL IS REQUIRED.** For additional information about EPSDT and prior approval requirements, see **Section 2.0** of this policy.

#### 3.1 General Criteria

Medicaid covers DSME when it is medically necessary and

- a. the procedure is individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and not in excess of the recipient's needs;
- b. the procedure can be safely furnished, and no equally effective and more conservative or less costly treatment is available statewide; and
- c. the procedure is furnished in a manner not primarily intended for the convenience of the recipient, the recipient's caretaker, or the provider.

### 3.2 Specific Criteria

DSME is covered when

- a. the recipient has a diagnosis of diabetes; and
- b. the program is developed and taught to the target population by certified diabetes educators. Refer to **Section 7.2** for staff requirements.

## 4.0 When Diabetes Outpatient Self-Management Education Is Not Covered

**IMPORTANT NOTE:** EPSDT allows a recipient less than 21 years of age to receive services in excess of the limitations or restrictions below and without meeting the specific criteria in this section when such services are **medically necessary health care services** to correct or ameliorate a defect, physical or mental illness, or a condition [health problem]; that is, documentation shows how the service, product, or procedure will correct or improve or maintain the recipient's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

**EPSDT DOES NOT ELIMINATE THE REQUIREMENT FOR PRIOR APPROVAL IF PRIOR APPROVAL IS REQUIRED.** For additional information about EPSDT and prior approval requirements, see **Section 2.0** of this policy.

### 4.1 General Criteria

DSME is not covered when

- a. the recipient does not meet the eligibility requirements listed in **Section 2.0**;
- b. the recipient does not meet the medical necessity criteria listed in **Section 3.0**;
- c. the procedure unnecessarily duplicates another provider's procedure; or
- d. the procedure is experimental, investigational, or part of a clinical trial.

### 4.2 Specific Criteria

DSME is not covered if the recipient does not have a diagnosis of diabetes.

If the program does not meet the requirements for staff qualifications as recognized providers by the American Diabetes Association, the DSME is not covered. Refer to **Section 7.2, Staff Qualifications**.

## 5.0 Requirements for and Limitations on Coverage

**IMPORTANT NOTE:** EPSDT allows a recipient less than 21 years of age to receive services in excess of the limitations or restrictions below and without meeting the specific criteria in this section when such services are **medically necessary health care services** to correct or ameliorate a defect, physical or mental illness, or a condition [health problem]; that is, documentation shows how the service, product, or procedure will correct or improve or maintain the recipient's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

**EPSDT DOES NOT ELIMINATE THE REQUIREMENT FOR PRIOR APPROVAL IF PRIOR APPROVAL IS REQUIRED.** For additional information about EPSDT and prior approval requirements, see **Section 2.0** of this policy.

### 5.1 Prior Approval

Prior approval is not required.

### 5.2 Physician Certification

Physician certification is required. A physician referral will meet this qualification. A prescription signed by the referring physician will suffice as certification.

### 5.3 Service Limitations

Initially, Medicaid covers up to 10 hours of DSME within a continuous 12-month period (not necessarily within the same calendar year). DSME may be offered in any combination of individual or group counseling. For follow-up training, Medicaid will cover a maximum of 2 hours of training each year, starting with the calendar year in which the recipient receives the initial training, in any combination of individual or group counseling.

## 6.0 Providers Eligible to Bill for Diabetes Outpatient Self-Management Education

Providers who meet Medicaid's qualifications for participation and are currently enrolled with the N.C. Medicaid program are eligible to bill for DSME when it is within the scope of their practice.

## 7.0 Additional Requirements

**IMPORTANT NOTE:** EPSDT allows a recipient less than 21 years of age to receive services in excess of the limitations or restrictions below and without meeting the specific criteria in this section when such services are **medically necessary health care services** to correct or ameliorate a defect, physical or mental illness, or a condition [health problem]; that is, documentation shows how the service, product, or procedure will correct or improve or maintain the recipient's health in the best condition possible, compensate for a health problem, prevent it from worsening, or prevent the development of additional health problems.

**EPSDT DOES NOT ELIMINATE THE REQUIREMENT FOR PRIOR APPROVAL IF PRIOR APPROVAL IS REQUIRED.** For additional information about EPSDT and prior approval requirements, see **Section 2.0** of this policy.

### 7.1 Quality Certification and Documentation

#### 7.1.1 American Diabetes Association

The Certificate of Recognition from the American Diabetes Association, which affirms recognized provider status for the education program, must be maintained by the provider and made available to DMA or its agent upon request.

#### 7.1.2 Documentation of Program-Specific Quality Standards

Documentation to support compliance with standards that address curriculum, recipient access, process, and measured goals and outcomes must be maintained and made available for review by DMA or its agent upon request. Based on the needs of the target population, the DSME program shall be capable of offering instruction in the following content areas:

- a. An overview of diabetes, which describes the disease process and treatment options
- b. Development of personal strategies to address stress and psychosocial issues and concerns
- c. Family involvement and social support
- d. Incorporation of nutritional management into lifestyle
- e. Incorporation of exercise and physical activity into lifestyle
- f. Use of medication(s) safely and for maximum therapeutic effectiveness
- g. Monitoring blood glucose and other parameters and interpreting and using the results for self-management and decision making
- h. Relationships among nutrition, exercise, medication, and glucose levels
- i. Prevention, detection, and treatment of acute complications
- j. Prevention, detection, and treatment of chronic complications
- k. Foot, skin, and dental care
- l. Development of personal strategies—such as goal setting, risk factor reduction, and problem solving—to promote health and behavior change
- m. Benefits, risks, and management options for improving glucose control
- n. Preconception care, pregnancy, and gestational diabetes
- o. Use of health care systems and community resources

The program shall use instructional methods and materials that are appropriate for the target population and the recipients being served.

An individualized assessment shall be developed and updated in collaboration with each recipient. The assessment shall include relevant medical history, present health status, health service or resource utilization, risk factors, diabetes knowledge and skills, cultural influences, health beliefs and attitudes, health behaviors and goals, support systems, barriers to learning, physical limitations, and socioeconomic factors.

An individualized education plan based on the assessment shall be developed in collaboration with each recipient. The recipient's educational experience—including assessment, intervention, evaluation, and follow-up—shall be documented in a permanent medical or education record. There shall be documentation of collaboration and coordination among program staff, other providers, and the recipient.

The program shall offer appropriate and timely educational interventions based on periodic reassessments of health status, knowledge, skills, attitudes, goals, and self-care behaviors.

**Note:** A complete listing of the National Standards for Diabetes Self-Management Education Programs and information on the provider recognition application process may be obtained by calling the American Diabetes Association at 1-888-232-0822.

## 7.2 Staff Qualifications

It is the responsibility of the provider agency to verify in writing all staff qualifications for the provision of service and to maintain copies of this documentation and the Certificate of Recognition from the American Diabetes Association.

Education shall be given by a recognized provider as defined by the American Diabetes Association. These may include

- a. Physicians
- b. Nurse practitioners
- c. Certified nurse midwives
- d. Hospital outpatient departments
- e. Local health departments
- f. Federally qualified health centers
- g. Rural health clinics

All of the above must meet the national standards for DSME programs, and their education program must be recognized by the American Diabetes Association.

Additionally, non-physician practitioners may provide DSME services “incident to” a physician’s professional services (see below). Non-physician practitioners include

- a. Nurse practitioners
- b. Certified nurse midwives
- c. Physician assistants
- d. Registered nurses
- e. Certified diabetes educators (CDE)
- f. Behaviorists who are Ed.D. prepared
- g. Pharmacists
- h. Registered dietitians who are employed by physicians or entities

“Incident to” means that the services must be an integral, although incidental, part of the physician’s personal professional services, and must be performed under the physician’s personal supervision.

## 7.3 Medical Record Documentation

Documentation certifying the need for DSME and documentation of the education provided must be maintained in the recipient’s record.

## 7.4 Records Retention

As a condition of participation, providers are required to keep records necessary to disclose the extent of services rendered to recipients and billed to the N.C. Medicaid program [Social Security Act 1902(a) (27) and 42 CFR 431.107]. Records must be retained for a period of at least five years from the date of service, unless a longer retention period is required by applicable federal or state law, regulations, or agreements (10A NCAC 22F.0107).

Copies of records must be furnished upon request.

The Health Insurance Portability and Accountability Act (HIPAA) does not prohibit the release of records to Medicaid (45 CFR 164.502).

## 8.0 Policy Implementation/Revision Information

**Original Effective Date:** November 1, 1999

**Revision Information:**

| <b>Date</b> | <b>Section Revised</b> | <b>Change</b>                             |
|-------------|------------------------|-------------------------------------------|
| 5/1/09      | Throughout             | Initial promulgation of current coverage. |
|             |                        |                                           |
|             |                        |                                           |

## Attachment A: Claims-Related Information

Reimbursement requires compliance with all Medicaid guidelines, including obtaining appropriate referrals for recipients enrolled in the Medicaid managed care programs.

### A. Claim Type

Professional (CMS-1500/837P transaction)

Institutional (UB-04/837I transaction)

### B. Diagnosis Codes

Providers must bill the ICD-9-CM diagnosis codes(s) to the highest level of specificity that supports medical necessity. An acceptable ICD-9-CM diabetes diagnosis code must be on the claim.

| ICD-9-CM Diagnosis Code | Description                                       |
|-------------------------|---------------------------------------------------|
| 250.00 through 250.03   | Diabetes mellitus without mention of complication |
| 250.10 through 250.10   | Diabetes with ketoacidosis                        |
| 250.20 through 250.23   | Diabetes with hyperosmolarity                     |
| 250.30 through 250.33   | Diabetes with other coma                          |
| 250.40 through 250.43   | Diabetes with renal manifestations                |
| 250.50 through 250.53   | Diabetes with ophthalmic manifestations           |
| 250.60 through 250.63   | Diabetes with neurological manifestations         |
| 250.70 through 250.73   | Diabetes with peripheral circulatory disorders    |
| 250.80 through 250.83   | Diabetes with other specified manifestations      |
| 250.90 through 250.93   | Diabetes with unspecified complication            |
| 648.80 through 648.84   | Gestational diabetes                              |

### C. Procedure Code(s)

| HCPCS Procedure Code | Description                                                                           |
|----------------------|---------------------------------------------------------------------------------------|
| G0108                | Diabetes outpatient self-management training services, individual, per 30 minutes     |
| G0109                | Diabetes self-management training services, group session (2 or more), per 30 minutes |

1. Outpatient hospital providers use Revenue Code 942 with either G0108 or G0109.
2. Federally qualified health centers and rural health clinics use HCPCS procedure code T1015 (clinic visit/encounter, all-inclusive). DSME is a core service.
3. The program components (see **Section 7.1.2, Documentation of Program-Specific Quality Standards**) are not separately reimbursable.

### D. Modifiers

Providers are required to follow applicable modifier guidelines.

**E. Billing Units**

| <b>HCPCS Procedure Code</b> | <b>Unit</b>           |
|-----------------------------|-----------------------|
| G0108                       | One unit = 30 minutes |
| G0109                       | One unit = 30 minutes |
| RC 942 + G0108              | One unit = 30 minutes |
| RC 942 + G0109              | One unit = 30 minutes |

**F. Place of Service**

Physician's office, outpatient hospital department, physician diagnostic clinic, local health department, rural health clinic, federally qualified health center

**G. Co-Payments**

DSME programs are subject to co-payment requirements.

**H. Reimbursement**

Providers must bill their usual and customary charges.