Supply Limits For Ongoing Medical Supplies

Last Updated: 11/5/2026 **Last Reviewed:** 11/19/2026 **Originally Effective:** 3/10/2021
Last update includes payment policy changes, subject to 28 TAC §3.3703(a)(20)(D)? No
If yes, Texas Last Update Effective Date: n/a
Policy #: RPM072

Scope

Companies: Moda Partners, Inc. and its subsidiaries & affiliates (All)
Claim Forms: CMS1500 & CMS1450 (paper and electronic versions)
Provider Contract Status: Any
Claim Dates: All

Reimbursement Guidelines

A. Supply Limits

1. For medical supplies used regularly, pharmacies and DME suppliers may dispense, ship, and bill up to a 90-day supply to meet the member's usual medical needs.
2. Additional quantities billed more often than every 3 months require documentation of increased utilization/medical necessity.
3. Examples of medical supplies with ongoing regular use:
   a. Diabetic test strips and lancets
   b. Insulin syringes
   c. Ostomy supplies
   d. Etc.

B. Exceptions

1. For supply codes whose descriptions specify "per month" or "a one month's supply", only one (1) unit of service (UOS) may be billed at a time.
2. Billing more than 1 UOS per calendar month will be denied as provider liability for exceeding the MUE or maximum allowed quantity.
3. Procedure codes to which this exception applies include:

Code	Code Description
A4595	Electrical stimulator supplies, 2 lead, per month, (e.g., TENS, NMES)
E0441	Stationary oxygen contents, gaseous, 1 month's supply = 1 unit
E0442	Stationary oxygen contents, liquid, 1 month's supply = 1 unit
E0443	Portable oxygen contents, gaseous, 1 month's supply = 1 unit
E0444	Portable oxygen contents, liquid, 1 month's supply = 1 unit
E0447	Portable oxygen contents, liquid, 1 month's supply = 1 unit, prescribed amount at rest or nighttime exceeds 4 liters per minute (LPM)

4. Changing guidelines for continuous glucose monitor (CGM) supply allowances:

Code	Code Description
A4238	Supply allowance for adjunctive, nonimplanted continuous glucose monitor (CGM), includes all supplies and accessories, 1 month supply = 1 unit of service
A4239	Supply allowance for nonadjunctive, nonimplanted continuous glucose monitor (CGM), includes all supplies and accessories, 1 month supply = 1 unit of service

a. For dates of service through December 31, 2023, CGM supply allowance code(s) were limited to a 30-day supply.
b. For dates of service beginning January 1, 2024, CGM supply allowance codes are included in the updated CMS rule allowing Continuous Glucose Monitor (CGM) supplies to be billed in 90-day increments. [13, 15]

C. Billing Requirements

1. The billed date of service must match the delivery date documented in the proof of delivery. [9]
2. Date ranges are not allowed. Enter the delivery date in both the From Date and To Date field on the claim.
   a. Claims billed with date ranges count against frequency limits for every date from the billed From Date through the To Date.
   b. Billing with date ranges may cause current or future claims to be denied for exceeding procedure code frequency and/or MUE limits.
   c. To resolve these frequency/MUE limit denials, you must submit a corrected claim (claim frequency code "7") without the date range, then request reprocessing of the denied claim.
3. The "Delivery Date/Date of Service" on the claim must not precede the date of the prescribing provider's signature on the written order. [3]

D. Refill Timing & Requirements

1. Suppliers must obtain a refill request and confirmation from the member before delivering refills. [16, 17]
2. Refills may not be delivered earlier than 10 calendar days before the expected end of the current supply.[16, 17]
3. See 2022-03-31-MLNC for CMS instructions on proper billing and supplying sufficient quantities to prevent gaps before the end of the month/90-day billing period.[8]

E. Documentation Requirements

1. Physician's orders and proof of delivery documentation must be kept on file by the billing provider.
2. Physician orders and/or proof of delivery documentation may be requested to verify orders, quantities, patient receipt, and correct billing and coding.
   a. Proof of delivery (POD) is a supplier standard as noted in 42 CFR § 424.57(c)(12). [7, 9] Suppliers must keep proof of delivery documentation on file and provide the documentation upon request. [4, 9, 10]
   b. All orders for services and supplies must be signed.
   c. Documentation must clearly identify the date the service or supply was performed or ordered. [5, 12]

Definitions

Acronyms/Abbreviations

Acronym	Definition
AMA	American Medical Association
CCI	Correct Coding Initiative (see "NCCI")
CMS	Centers for Medicare and Medicaid Services
CPT	Current Procedural Terminology
DIF	DME Information Form
DME	Durable Medical Equipment
DRG	Diagnosis Related Group (also known as/see also MS DRG)

Acronym	Definition
HCPCS	Healthcare Common Procedure Coding System (acronym often pronounced as "hick picks")
HIPAA	Health Insurance Portability and Accountability Act
ICD	International Classification of Diseases
ICD-10	International Classification of Diseases, Tenth Edition
ICD-10-CM	International Classification of Diseases, Tenth Edition, Clinical Modification
ICD-10-PCS	International Classification of Diseases, Tenth Edition, Procedure Coding System
LCD	Local Coverage Determination
MPFS MPFSD MPFSDB	(National) Medicare Physician Fee Schedule Database (aka RVU file)
MS DRG	Medicare Severity Diagnosis Related Group (also known as/see also DRG)
MUE	Medically Unlikely Edits
NCCI	National Correct Coding Initiative (aka "CCI")
NCD	National Coverage Determination
POD	Proof of Delivery
PTP	Procedure-To-Procedure (a type of CCI edit)
RPM	Reimbursement Policy Manual (e.g., in context of "RPM052" policy number, etc.)
TAC	Texas Administrative Code
UB	Uniform Bill
UOS	Unit(s) of Service
WOPD	Written Order Prior to Delivery

Definition of Terms

Term	Definition
Proof of delivery	A complete record tracking the item(s) from the DMEPOS supplier to the beneficiary, containing all the elements of information required by Noridian/CMS. [4]

Related Policies

A. "Moda Health Reimbursement Policy Overview." Moda Health Reimbursement Policy Manual, RPM001.
B. "Medical Records Documentation Standards." Moda Health Reimbursement Policy Manual, RPM039.
C. "Medically Unlikely Edits (MUEs)." Moda Health Reimbursement Policy Manual, RPM056.

Resources

1. Noridian Healthcare Solutions, LLC. "Glucose Monitors." Noridian Healthcare Solutions, LLC. LCD 33822. Last updated: February 14, 2020. Last accessed: March 23, 2021. https://med.noridianmedicare.com/documents/2230703/7218263/Glucose+Monitors/b300483e-8205-47cf-9a04-36bad7ac2eea .
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Considerations, § 5.2.4. https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/pim83c05.pdf .
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11. CMS. "Signature Requirements." Medicare Program Integrity Manual, Chapter 3 3 - Verifying Potential Errors and Taking Corrective Actions, § 3.3.2.4. https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/pim83c03.pdf .
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Policy History

Reminder: The most current version of our reimbursement policies can be found on our provider website. If you are using a printed or saved electronic version of this policy, please verify the current information by going to: https://www.modahealth.com/medical/policies_reimburse.shtml

Date	Summary of Update
11/19/2026	Formatting updates. Minor re-wording. No policy changes.
11/12/2025	Clarified refill requirements. Resources updated. Policy History section info added to 7/13/2022 entry. Minor rewording. No policy changes.
2/12/2025	Updated CGM monthly supply codes. Background Information section retired. Coding Guidelines & Sources section retired; see Resources for information. Related Policies updated. Formatting updates. No policy changes.
8/14/2024	Formatting updates. No policy changes.
2/14/2024	Updated information for K0553 per change in CMS policy. Updated Coding Guidelines and Resources.
8/9/2023	Clarified documentation of order date per CMS guidelines. Resources updated. No policy changes.
7/13/2022	Idaho added to Scope. Policy History section added; entries prior to 2022 omitted (in archive storage). Updated Coding Guidelines & Sources, Related Policies, and Resources. Formatting updates. No policy changes.
4/14/2021	Policy document initially approved by the Reimbursement Administrative Policy Review Committee & initial publication.
3/10/2021	Original Effective Date (with or without formal documentation). Policy based on research and internal administrative decision.