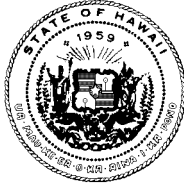


LINDA LINGLE
GOVERNOR



LILLIAN B. KOLLER, ESQ.
DIRECTOR

HENRY OLIVA
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
Med-QUEST Division
Medical Standards Branch
P. O. Box 700190
Kapolei, Hawaii 96709-0190

In reply, please refer to:

In reply, please refer to:

Governor's Referral No.:

March 3, 2004

MEMORANDUM

ACS M04-04

TO: Providers of Durable Medical Equipment

FROM: Lynette Honbo, M.D., Medical Director

SUBJECT: CLARIFICATION OF THE PRIOR AUTHORIZATION PROCESS FOR CERTAIN DURABLE MEDICAL EQUIPMENT (DME)

The Med-QUEST Division (MQD) would like the opportunity to meet with you for the purpose of clarifying some of the changes we have implemented or plan to implement to improve the processing of 1144 authorization forms for DME. We believe that the changes will decrease the time spent in the processing of authorization requests for DME by both our staff and yours and expedite correct claims processing. The clarification is specific to DME such as specialty wheelchairs, seating systems, bathing systems and specialty physical therapy equipment. It will not cover orthotics, prostheses, incontinence supplies, oxygen equipment or medical supplies.

Date: Friday, March 19, 2004
Time: 10:00 a.m. to 11:30 a.m.
Place: Med-QUEST Division
Kakuhihewa Building
Conference Room 577
601 Kamokila Boulevard
Kapolei, Hawaii 96707

AGENDA:

- Miscellaneous DME codes and the use of modifiers for wheelchairs;
- Use of modifiers for DME with specific HCPCS codes instead of miscellaneous codes;
- Payment of specialized/custom DME by invoice;
- New authorization letters;
- DME that are not generally approved by MQD;
- Serial numbers;
- Medicaid rules concerning charges for DME/supplies; and
- Questions, comments, and recommendations.

Because the seating capacity of this room is limited, we ask that a maximum of two (2) from each company attend. We will issue a memorandum covering the topics on the agenda to all DME providers following the meeting.