



THE STATE  
*of* **ALASKA**  
GOVERNOR BILL WALKER

**Department of  
Health and Social Services**

DIVISION OF HEALTH CARE SERVICES  
Pharmacy & Ancillary Services Unit

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February 20, 2018

Re: Billing Instruction - HCPC Code A9999 with Modifier CG

Dear Alaska Medicaid Durable Medical Equipment Providers,

The purpose of this letter is to let you know of a change to Alaska Medicaid DME billing procedures. Claims submitted to Alaska Medicaid with HCPC code A9999 and modifier CG will be recognized as requests for delivery and dispensing services and will not require service authorization.

**Background:**

On 1/25/2018, the Division of Health Care Services informed providers that, in accordance with Section 6507 of the Affordable Care Act, Alaska Medicaid is required to follow methodologies issued by Centers for Medicare & Medicaid Services (CMS) and the National Correct Coding Initiative (NCCI).

Effective October 1, 2017, as published in the quarterly release of MUE NCCI Updates, CMS has updated the allowed units for code A9901 from one unit to zero units. As a result of NCCI program's change to code A9901, Alaska Medicaid will no longer reimburse claims submitted with code A9901. Health Care Services will continue to cover delivery and dispensing expenses if authorized under 7 AAC 120.200 and if submitted with HCPCS code A9999. Claims must conform to all state and federal regulations and rules to be eligible for payment. Providers seeking reimbursement for delivery and dispensing services are responsible for appropriate claims submission following the NCCI change.

If you have any questions, please contact me at 907.334.2436 or [tracy.stephens@alaska.gov](mailto:tracy.stephens@alaska.gov).

Sincerely,

Tracy Stephens  
DMEPOS Program Manager  
Division of Health Care Services