



Alaska Medicaid Policy Guidance Shipping Reimbursement

POLICY:

In accordance with 7 AAC 120.200, Alaska Medicaid will consider reimbursement of claims submitted by durable medical equipment providers and prosthetics & orthotics providers for delivery or shipping costs. Shipping claims submitted under A9999CG have three distinct criteria for reimbursement. The information below is provided for guidance to ensure shipping claims are processed in the most cost-effective way. Shipping regulations are found in 7 AAC 145.420(k) & 7 AAC 145.421(i) and should any question arise regarding the information below, the regulations ultimately prevail. Additionally, this guidance does not supersede any regulation regarding what types of shipping scenarios, such as items shipped from a manufacturer, may be submitted to request reimbursement.

Shipping claims are permitted when there is a distance of 50 miles or more from the supplier to the member and there is no closer supplier to the member from which to obtain the items. Suppliers are required to use the most cost-effective shipping method.

Shipping claims less than \$50 total

1. For submitted claims where the claim total is less than \$50, an itemized list of shipped items must be attached to the claim, but no documentation of shipping receipts needs to be submitted.
2. Shipping claims should be submitted for a total of all shipping costs for one date of service on one claim line and should be less than \$50 in total.
3. Shipping documentation, including detailed shipping receipts should be maintained by the provider in their files and submitted if requested by the Department.

Shipping claims for a total of \$50 or more with all individual shipped boxes, envelopes, or other shipping vessels less than \$50 individually

1. For submitted claims where the claim total is \$50 or more, an itemized list of shipped items and delivery confirmation must be included as a claim attachment.
2. Additionally, with the claim, providers must **EITHER**:
 - a. Attach an individual receipt for each individual shipped box, envelope, or other shipping vessel showing all detailed information such as the size of the package

and its individual shipping charge showing no individual shipping charge is \$50 or more, **OR**

- b. Attach a shipping manifest of the shipped packages showing their individual shipping charges and other detailed information, **OR**
 - c. In line 19 of the CMS 1500, enter information as to the number of shipped packages and include that no individual shipped package was \$50 or more. For example, '4 boxes shipped, none over \$50'.
3. Shipping documentation, including detailed shipping receipts should be maintained by the provider in their files and submitted if requested by the Department.

Shipping claims for a total of \$50 or more where any ONE or more of the individually shipped boxes, envelopes, or other shipping vessels is \$50 or more or the claim is more than \$50 for one individual package

1. For submitted claims where the claim total is \$50 or more, an itemized list of shipped items and delivery confirmation must be included as a claim attachment.
2. Additionally, attached to the claim, individual detailed shipping receipts for each package, envelope or other shipping vessel or comprehensive manifest showing the same detailed information must be included with the claim.

Reminders:

- When submitted information indicates multiple packages were shipped and any one package was \$50 or more, each package shipping receipt must include all required details independently.
- Shipping method must be most cost-effective method possible.

If you have questions, please contact Karen Benson at Karen.Benson@Alaska.gov or Tracy Stephens at Tracy.Stephens@Alaska.gov.

References:

[7 AAC 120.200. Enrollment; general provisions; covered items and services](#)

[7 AAC 145.420. Durable medical equipment, supplies, prosthetics, orthotics, and respiratory therapy payment rates](#)

[7 AAC 145.421. Prosthetics and orthotics payment rates](#)