

Lessons for Avoiding Medicaid Fraud, Waste, and Abuse: A Presentation for New Jersey Durable Medical Equipment Providers

Questions and Answers / June 24, 2025

Number	Question	Response	Responder
1	Are all MCOs required to follow the same Durable Medical Equipment (DME) coverage rules as Medicaid directly?	<p>All Medicaid participating Nursing Facilities (NFs) and Special Care Nursing Facilities (SCNFs) shall provide or arrange for services in accordance with statutory and regulatory requirements under 42 CFR 483 and Department of Health licensing rules at N.J.A.C. 8:39. N.J.A.C. 8:85-1.16(e)4 outlines the basic items that NFs shall make available for beneficiary use under the Medicaid program, which includes:</p> <p>ii. Durable medical equipment such as wheelchairs, gerichairs, crutches, canes, walkers, commodes, Hoyer lifts, mattresses.</p> <p>Therefore, the MCOs may not deem these services as separately reimbursable.</p> <p>Medically necessary DME that is not covered by the nursing facility may be covered by the Managed Care Organization (MCO). Please consult with the MCO to determine what is covered.</p>	DMAHS and the New Jersey Medicaid MCOs
2	If a provider does not participate with an MCO can they write an order for DME?	Each MCO has their own policies regarding DME ordering. Most MCOs will permit an out of network provider to write the DME order for the Medicaid member, particularly if the services are not available in-network, however an authorization for out of network services may be required. It is best to consult with the MCO ahead of time to determine what is permitted.	DMAHS and the New Jersey Medicaid MCOs