

INSURANCE COVERAGE FOR ELEMENTAL FORMULA

When elemental formula is prescribed, the logical next step is to get it filled at the pharmacy. Most insurance companies consider elemental formula as durable medical equipment and most often has to be filed under that part of the policy rather than the prescription plan. Very often, the claim is denied when filled at a pharmacy and the patient is left with the impression that elemental formula is not covered under their private insurance plan. Calls to the insurance company may confirm this impression or generate further confusion. Below are some suggestions that may help you obtain insurance coverage for elemental formula.

1. Insurance companies that provide coverage for elemental formulas typically classify it as Durable Medical Equipment (DME). In this case, claims submitted under pharmacy coverage will be denied. Contact a DME supplier recommended by your GI or allergy specialist. Ask them to run the prescription through your insurance company using the ICD-9 code specific to your eosinophilic disorder.
 - a. Eosinophilic Esophagitis – 530.13
 - b. Eosinophilic Gastritis – 535.7
 - c. Eosinophilic Gastroenteritis – 558.41
 - d. Eosinophilic Colitis – 558.42
2. The following steps may help your insurance customer service representative determine whether or not your plan includes DME coverage for elemental formula.
 - a. Call the 800 number on the back of your insurance card.
 - b. Follow the voice prompts for questions about medical claims.
 - c. Advise the customer service representative that you have questions about coverage of Durable Medical Equipment.
 - d. Once the rep has accessed DME coverages, they will typically find the appropriate information with a search for “elemental formula” or “amino acid based formula.” If neither of those searches works, then you can ask them to look for DME coverage of enteral services.
 - e. If coverage is available, then there will be additional questions to ask.
 - i. Is coverage dependent upon the use of a feeding tube? Or does the plan also provide coverage when patients drink the formula?
 - ii. Does the insurance company require that you use a specific vendor? If so, they will be able to provide you with the provider’s contact information.
 - iii. Will you need to meet your deductible before coverage begins?
 - iv. What dollar co-pay or percentage co-insurance will are you required to pay for formula? Will these payments be applied toward your out-of-pocket maximum for the plan year?
 - f. Ask your insurance company to assign a Nurse Case Manager to help you identify and access covered services more easily. While Nurse Case Managers cannot access coverage for claims that would otherwise be denied, it may be possible for them to expedite claims and appeals based on previously documented medical necessity. This is not the case with all insurance companies. However, it is an option worth asking about.
3. Determine whether formula coverage is mandated by state law. The patient’s state of residence does not determine whether an insurance company is legally bound to pay for elemental formula. Rather, it depends where the plan was initiated. The Plan documents, available from your insurance company upon request, will indicate which state’s laws bind your policy. State mandates may not apply to self-funded benefits.

4. If you have a self-insured employer plan, then you may have an additional option to request coverage for elemental formula. Large corporations and government entities often have self-insured plans where they contract an insurance company to do the administrative work of processing claims. It is the employer that pays the claims. The employer also has sole discretion as to which services will be covered. To determine whether your plan is self-insured, contact the Customer Service number on the back of your insurance card. This information can also be found in your plan documents.
 - a. Contact Human Resources. Advise that you have a concern with the self-insured plan which has not been adequately resolved by the insurance company. Ask to speak with the HR employee who handles the medical insurance plan. This is the person that has the ability to make an exception for your specific situation.
 - b. Self-insured plans may be exempt from state laws which mandate coverage for elemental formula. However, many employers choose to voluntarily comply. If there is a mandate in place, share this information so that it can be considered alongside the specifics of your personal situation.
5. File a Medical Appeal with your insurance company. Ask your physicians and dietary specialists to document medical necessity for this purpose. Be sure to contact your insurance company for instructions to ensure that this appeal is reviewed by one of their Medical Advisors for individual consideration rather than having it reviewed as a standard appeal by an administrative employee.
6. Get involved to enact formula legislation in your state. If you are without formula coverage and would like to help make a change, send an email to pac@apfed.org so our Coordinator of Legislative Education can put you in contact with other volunteers and help guide you through the process.

A list of states with formula mandates, links to the laws in each state, and current efforts to generate formula mandates can be viewed at www.childrensmagic.org.

-Kendra Tiedemann and Victoria DeLano

© American Partnership for Eosinophilic Disorders 2012. Content may not be reproduced in part or in whole without express written consent from APFED. Contact us Mail@apfed.org