



## Billing Medicare Part B for Insulin with New Limits on Patient Monthly Coinsurance



### What's Changed?

**Note:** No substantive content updates.

As of July 1, 2023, the Medicare Part B coinsurance for a month's supply of insulin used in an insulin pump covered under the DME benefit can't exceed \$35, as required by section 11407 of the [Inflation Reduction Act](#). Also, the Part B deductible won't apply for the insulin. This provision of the law applies only to patients who use insulin delivered through insulin pumps covered under the Part B benefit for DME.

## Affected Suppliers

- DME suppliers who supply insulin pumps
- Pharmacies that supply insulin pumps or the insulin for the pump

## Coinsurance & Deductible

Patient coinsurance for a month's supply of insulin won't exceed \$35 for 1 month or \$105 for a 3-month supply. The Part B deductible also won't apply for insulin provided through an insulin pump covered under the DME benefit. For purposes of this insulin coinsurance limit, the pump must be a pump covered under the DME benefit and payable under Part B.

**Note:** Medicare also covers disposable pumps under Medicare drug plans (Part D). The Inflation Reduction Act caps cost sharing at \$35 for a month's supply of each covered insulin under the drug plan as of January 1, 2023.

Standard Medicare cost-sharing applies to the pumps, tubing, and any other supplies (\$79–\$158 per month, depending on the age of the pump).

## Payments to Suppliers & Pharmacies

We'll also adjust payments to suppliers and pharmacies to account for the balance of the reduced coinsurance. Suppliers will receive the insulin Medicare payment amount (average sales price plus 6%) minus any applicable coinsurance. The maximum monthly coinsurance is \$35.

If there's more than 1 claim for the same month, we'll apply the coinsurance cap to the first claim we process. DME Medicare Administrative Contractors (MACs) will make sure the coinsurance doesn't exceed \$35 per month or \$105 for a 3-month supply for claims billing for insulin delivered through an insulin pump covered under the DME benefit payable under Part B.

Your DME MAC ensures you're paid the Medicare payment amount minus the applicable coinsurance on the claim. For example, if the patient has met their coinsurance cap for the month on a prior claim submission, coinsurance won't apply to any subsequent claim in the same month. Suppliers receive the full Medicare payment amount.

## Modifiers

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As of July 2023, use these modifiers to bill a 1-month or 3-month supply of insulin with HCPCS codes J1811, J1813, and J1817:

- JK – Short Descriptor: Drug supply 1 month or less; Long Descriptor: One month supply or less of drug or biological
- JL – Short Descriptor: Drug 3 month supply; Long Descriptor: Three month supply of drug or biological

If you don't include 1 of these modifiers, your DME MAC will return the claim without processing it.

## Resources

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- [Change Request 13014](#)
- [Inflation Reduction Act & Medicare](#)

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