

## **A new requirement when submitting custom-made orthopaedic shoes and orthotic claims, effective August 1, 2010**

Recently, we have seen an increase in the number of claims for custom-made orthopaedic shoes and orthotics, many of which are ineligible because they are for shoes or orthotics that are not truly custom-made. In order to streamline the process and allow for an earlier identification of what expenses are eligible and what are not, we are changing our claims practice for how we handle custom-made orthopaedic shoes and orthotic claims.

### **Increase in claims for ineligible expenses**

Only custom-made orthopaedic shoes and orthotics are eligible for coverage under our standard Extended Health Care (EHC) benefit. We are receiving a growing number of claims for orthopaedic shoes and orthotics that are not truly custom-made.

### **Custom-made orthopaedic shoes**

True custom-made shoes are prescribed and designed to accommodate severe foot abnormalities. There are three main categories based on medical necessity: congenital deformity, traumatic injury and disease process. Only severe abnormalities would necessitate a custom-made shoe. If the foot abnormality is not severe, there are other less costly but effective methods of treatment.

There has been a steady increase in the number of submissions for shoes indicated as 'custom-made' by the supplier. Many of these are off-the-shelf or pre-fabricated orthopaedic shoes which have been modified and/or fitted with an orthotic and called 'custom-made' by the supplier. These shoes are not eligible under our group plans.

### **Custom-made orthotics**

We have also seen a steady increase in claims for orthotics - corrective foot care devices worn inside a shoe. A custom-made orthotic is manufactured from a 3-dimensional (3-D) image (or cast) of the foot using raw materials. In order for custom-made orthotics to be effective, they need to be properly casted to accommodate the specific medical condition of the patient's foot.

Recently, provider receipts indicate the orthotics as 'custom-made', but on further investigation many claims for orthotics are revealed to be off-the-shelf forms which were altered to approximate the best fit to the foot and not made from a unique cast. These are not true 'custom-made' orthotics. In order for orthotics to be eligible under your plan, they must be custom-made which means casted from a 3-D image and made from raw materials. Orthotics which are not constructed in this way are not eligible under your plan.

# FOCUS update

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## **Effective August 1, 2010 a detailed lab invoice will be required**

In an effort to streamline our adjudication process and identify eligible expenses earlier, we will require that the plan member provide a **detailed lab invoice** at the time the claim is submitted, effective **August 1, 2010**.

A detailed lab invoice is issued to the provider of service by the manufacturer of the custom-made shoes and orthotics. This invoice should include an itemized breakdown of the raw materials used, their cost and any other associated costs incurred to manufacture the custom-made orthopaedic shoes or orthotics. If the costs relate to shoe modifications, the details and cost of each modification must be present. When purchasing custom-made orthopaedic shoes or orthotics, members should ask their provider for a **detailed lab invoice** at the time they pick up and pay for their shoes or orthotics.

This new detailed lab invoice requirement, will supplement our previous requirements of:

- a written recommendation (i.e. prescription) for the custom-made orthopaedic shoes or orthotics from an eligible prescribing health care practitioner, as described in the contract and employee booklet.  
**Reminder:** A new written recommendation must be submitted with each claim and **must** include the diagnosis necessitating the custom-made orthopaedic shoes or orthotics; and
- a receipt showing full payment has been made, patient's name and date of service.

## **How a detailed lab invoice will help**

Requiring a detailed lab invoice up-front will improve our ability to determine if the expenses submitted are eligible, as well as reduce the time it takes to go back and forth to obtain the information needed to properly adjudicate eligible claims. Shoes or orthotics claims submitted without a detailed lab invoice will be declined and this documentation will be requested, in an effort to conclusively determine if the shoes or orthotics are custom-made and eligible expenses under the plan.

In keeping with our commitment to combat fraud, this change in claims practice will also assist us in the detection and management of potentially fraudulent practices by some suppliers.

We have created a [communication](#) to inform plan members of this new requirement in the claim submission process.

Plan members can also refer to this past edition of our [Benefits Bulletin](#) for detailed information on understanding orthotics and orthopaedic shoes.

We hope to inform and encourage them to become smart shoppers by asking questions of their providers, and becoming aware of potential fraud regarding custom-made orthopaedic shoes and orthotics.

## **Questions?**

Contact your Sun Life Financial group benefits representative.