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Originated Department	Medical Management

Durable Medical Equipment and Supplies

Audience
Medical Management, Claims

Purpose
<p>Medical policies provide general support for applying Mountain Health Co-Op member policy document coverage decisions, and the member-specific benefit plan document must be referenced. The terms of the member-specific Policy document may differ from the standard benefit plan based on this medical policy. If there is a conflict between a member-specific policy document and the Mountain Health Co-Op medical policy, the document supersedes this policy. Any person(s) applying this medical policy must identify member eligibility, the member-specific policy document, and related policies or guidelines before applying this medical policy, including the existence of any state or federal guidance. Mountain Health Co-Op medical policies are designed for informational purposes only and are not an authorization, explanation of benefits, or contract. Receipt of benefits is subject to the satisfaction of all terms and conditions of the member-specific policy document coverage. Mountain Health Co-Op reserves the sole discretionary right to modify all policies and guidelines at anytime.</p>

Definition
N/A

Policy/Procedure
<p>Durable Medical Equipment (DME) is</p> <ul style="list-style-type: none"> ○ any equipment that provides therapeutic benefits to a member because of certain medical conditions and/or illnesses that can withstand repeated use, ○ is primarily and customarily used to serve a medical purpose, ○ a Physicians prescription is required ○ and is appropriate for use in the home

“Standard DME” will adequately meet the patient's medical needs and is not designed or customized for a specific individual's use. “Nonstandard DME” refers to items with specific convenience or luxury features. Electrical or mechanical enhancements typically serve a convenience function for standard or basic equipment. Refer to the member's Policy for coverage information on nonstandard DME, add-ons, or upgrades. DME may be reimbursed as a rental, purchased, or leased/capped rental. Capped rental items undergo an initial rental and then convert to a purchase, with rental payments applied to the purchase price. Capped rentals are used for equipment with long-term potential use, where immediate purchase may not be cost-effective due to patient tolerance or adherence issues. This approach offers a cost-effective solution for members facing significant co-insurance costs for DME equipment.

Mountain Health Co-Op provides coverage for standard Durable Medical Equipment (DME) when the following criteria are met.

Criteria for Standard DME Coverage (ALL Must Be Met):

- A. It is only available with a Provider's prescription
- B. Provides a therapeutic benefit to the member and is NOT primarily used for non-medical purposes
- C. Must be prescribed by a qualified healthcare provider
- D. Required to complete Activities of Daily Living (ADLs)
- E. Can withstand repeated use over an extended period and is not disposable
- F. Is usable only for members with specific health conditions
- G. The equipment does not have significant non-medical uses (e.g., environmental control equipment, air conditioners, air filters, humidifiers, whirlpool equipment, home exercise or SPA equipment)
- H. Not used for duplication or replacement of lost, damaged, or stolen items; and
- I. Is not attached to a home or vehicle.

Batteries are only covered in the following circumstances:

- A. To power a wheelchair or other medical devices in which a specially configured proprietary battery is necessary to power the covered device or
- B. For insulin pumps and insulin infusion pumps.

DME and Related Services not covered by the Plan include the following:

- A. Excluded DME for which there is a lack of evidence of clinical benefit in the published peer-reviewed literature
- B. Specific training and testing in conjunction with the DME or prosthetics provision.
- C. Equipment purchased from a non-licensed DME vendor unless previously approved by the plan.

Certain DMEs are expressly excluded from coverage as clinical efficacy is not established, or the items are available and can be purchased without a qualified healthcare provider prescription. This list includes items such as the following (List may not be inclusive and is subject to change):

- A. Transcutaneous Electrical Neurostimulation (TENS)
- B. Incontinence supplies such as diapers, incontinence pads
- C. Functional Neurostimulation
- D. H-wave electronic device
- E. Sympathetic Therapy Stimulator
- F. Home whirlpool or SPA equipment
- G. DME to allow participation in sporting activities
- H. Continuous Passive Motion Devices for Any Indication
- I. Custom Foot orthotics/inserts/heel pads except for specific custom shoes or inserts for diabetics who are prior authorized and covered under the member's policy

The following equipment is an example of DME and Supplies that are considered a comfort, convenience, and/or personal hygiene item and may not be eligible for coverage as defined by the criteria outlined in the member policy document.

- A. Acupressure equipment such as but not limited to Bed of Nails and blankets
- B. Air cleaners, purifiers, air conditioners, dehumidifiers, humidifiers, and vaporizers
- C. Automobile modifications such as but not limited to lifts, car seats, and tie-down straps
- D. Accessories for wheelchairs or walkers, such as but not limited to baskets, clips, lights, racing equipment, canopies, and controls
- E. Bath equipment such as but not limited to systems, lifts, and bathtub spas
- F. Braces or traction devices available without a prescription such as but not limited to back, joint, athletic, sporting, home traction, neoprene or elastic sleeves, Copper Fit™ braces, Dr. Ho's Back Brace, spinal unloading and decompression devices, inversion tables and metallic braces
- G. Bedding, for example, cervical pillows, egg crates, positioning wedges, weighted blankets, pillows, lumbar rolls, cushions
- H. Cleaning equipment such as but not limited to items to clean other DME (i.e., So Clean™)
- I. Comfort equipment such as but not limited to weighted blankets, cooling blankets and vests, heating pads, or blankets and lamb's wool padding
- J. Cold therapy units such as but not limited to ice machines and cooling blankets
- K. Grooming or dressing aids such as but not limited to sticks, aids, and graspers
- L. Incontinence supplies such as but not limited to diapers, disposable undergarments, or catheters and PureWick™ systems
- M. Duplicate Items
- N. Eating utensils or feeding aids
- O. Environmental enhancement items or devices such as but not limited to sound machines and lighting
- P. Exercise and physical fitness equipment such as but not limited to treadmills and exercise bikes, including those that use neuromuscular stimulation, bicycles, foam rollers, resistance bands, and hand weights)
- Q. Commercially available furniture such as but not limited to beds/bed wedges, recliners, and enclosure beds

- R. Lighting such as but not limited to seasonal lights, seasonal affective disorder lights, tanning beds, and light boxes (this does not apply to home phototherapy ultraviolet B (UVB) devices designed for the medical treatment of skin diseases)
- S. Home modifications such as but not limited to tract lift systems, patient lifts mounted on tracks attached to the ceiling, platform lifts, stair lifts, stair chairs, elevators, stairway elevators, and electric patient lifts
- T. Suits for physical therapy such as but not limited to intense physical therapy suits and occupational therapy suits
- U. Lap trays not used for trunk support
- V. Massagers, occipital release board, and home massage equipment
- W. Mobile floor sitter/stands
- X. Inogen® Oxygen
- Y. Clothing such as but not limited to Copper Fit™ socks, orthotic socks, and postural enhancement garments (shirts, vests)
- Z. Hygiene products such as but not limited to oral care, antiseptic wash, disposable gloves, masks, self-assist wiping sticks, bidets, wipes, PureWick™
- AA. Exam equipment (i.e., stethoscopes/blood pressure cuffs/otoscopes/scales)
- BB. Pneumatic cervical collar, cervical pump, or pneumatic thoracic-lumbosacral back support
- CC. Portable car travel nebulizer
- DD. Safety equipment such as but not limited to gait belts, sports or bike helmets, knee and elbow pads, safety glasses, hearing protection, bed rails, braces used to maintain joint stability when participating in athletic activities, grab bars, and gloves)
- EE. Strollers, stroller accessories and wagons

Miscellaneous Items:

- A. Tubing for suction pumps, A7002, is limited to 12 units per 30 days or 36 units every 90 days.
- B. Repair of DME is only covered if pre-approved and estimated costs are less than replacement costs.
- C. Surgical dressing and wound care supplies are reimbursed only in the following situations:
 - a. Those applied incident to a physician's professional services;
 - b. Those furnished by a home health agency and
 - c. Those applied while a patient is being treated in an outpatient hospital department
- D. Delivery/time/mileage and service are integral to oxygen and durable medical equipment (DME) suppliers' business costs. These costs have already been accounted for when calculating the fee schedules. Delivery and setup charges are not separately reimbursable.
- E. Deluxe features, aesthetic add-ons, and convenience items are at the member's expense. Payment for base standard items will be made, but the difference for deluxe features is at the member's expense. An Advance Beneficiary Notification (ABN) is required as documentation that the beneficiary has made such an informed request.

Capped rental

For Durable Medical Equipment that is eligible for rental or purchase, the amounts on a monthly rental basis **are not to exceed a period of continuous use of 12 months**. In the tenth (10th) month, the is given a purchase option. If the purchase option is exercised, Mountain Health Co-Op will continue to pay rental fees that do not exceed a period of continuous use of 13 months, and ownership of the equipment passes to the member. If the purchase option is not exercised, Mountain Health Co-Op will continue to pay rental fees until the 12th cap is reached and ownership of the equipment remains with the supplier. In the case of electric wheelchairs only, the member must be given a purchase option when the equipment is first provided.

Payments for Capped Rental Items During a Period of Continuous Use

Mountain Health Co-Op follows Medicare guidelines for capped rental items during a period of continuous use. When no purchase options have been exercised, rental payments may not exceed a period of continuous use of longer than 15 months. After 12 months of rental have been paid, the supplier must continue to provide the item without any charge to the Plan or the member other than for the maintenance and servicing fees until medical necessity ends or member coverage ceases.

Payment for Replacement of Durable Medical Equipment

Mountain Health Co-Op follows Medicare guidelines for replacing capped and purchased DME. If a capped rental item of equipment has been in continuous use by the patient, on either a rental or purchase basis, for the equipment's useful lifetime or if the item is lost or irreparably damaged, the member may elect to obtain a new piece of durable medical equipment. CMS determines the reasonable useful lifetime for the replacement of DME, and in no case can it be less than five years. This is a different requirement from the following section about prosthetic devices that are not capped rental. The computation of the valuable lifetime is based on when the equipment is delivered to the member, not the age of the equipment. If the member elects to obtain a new piece of equipment, payment is made on a rental or purchase basis.

Outright Purchase of Durable Medical Equipment

Durable Medical Equipment may be eligible for outright purchase based on qualifying modifiers only.

Mountain Health Co-Op excludes and does not cover Durable Medical Equipment and Supplies for which there is a lack of evidence or clinical benefit in the published peer-reviewed literature or when DME and Supplies do not meet the coverage criteria described in this Policy. This includes the following items (may not be inclusive):

adaptive devices or aids to daily living	rowing machine
air conditioners	safety grab bar, rail, bathroom, toilet, bed
air purifier	safety rollers with walkers
alarm systems	saunas
allergy-free bedding	scooter board
arch supports, insoles, heel cushions	shower bench
auto-tilt chair	shower chair
barrel crawl	sitz bath

battery charger (except for those used for covered batteries)	spa membership or treatments
bed baths	speech teaching machines, language master
bed board	sphygmomanometer with cuff
bed cradle	spinal pelvic stabilizers
bed wedges, foam slants	stair glide
bed, oscillating	stander
bed, pressure therapy	standing table
adaptive devices or aids to daily living	rowing machine
air conditioners	safety grab bar, rail, bathroom, toilet, bed
air purifier	safety rollers with walkers
alarm systems	saunas
allergy-free bedding	scooter board
arch supports, insoles, heel cushions	shower bench
auto-tilt chair	shower chair
barrel crawl	sitz bath
battery charger (except for those used for covered batteries)	spa membership or treatments
bed baths	speech teaching machines, language master
bed board	sphygmomanometer with cuff
bed cradle	spinal pelvic stabilizers
bed wedges, foam slants	stair glide
bed, oscillating	stander
bed, pressure therapy	standing table
pelvic floor stimulator	wheelchair, backpacks, caddy, carrier, baskets, etc.
percussor, chest	wheelchair, spoke protectors
portable room heaters	wheelchair, stand-up
postural drainage board	wheelchair, utility tray
posture chair	wheelmobile
pulsed galvanic stimulator	whirlpool bath equipment
reflux board, infant	whirlpool pumps
repairs, non-routine performed by a skilled technician	white cane
rocking bed	wig, hairpiece
rolla-bout chair	wrist alarm

Modifier

- 99 Modifier overflow
- A1 Dressing for one wound
- A2 Dressing for two wounds
- A3 Dressing for three wounds

A4	Dressing for four wounds
A5	Dressing for five wounds
A6	Dressing for six wounds
A7	Dressing for seven wounds
A8	Dressing for eight wounds
A9	Dressing for nine or more wounds
AI	Principal physician of record
AU	Item furnished in conjunction with a urological, ostomy or tracheostomy supply
AV	Item furnished in conjunction with a prosthetic device, prosthetic or orthotic
AW	Item furnished in conjunction with a surgical dressing
AY	Item or service furnished to an ESRD patient that is not for the treatment of ESRD
BA	Item furnished in conjunction with parenteral enteral nutrition (PEN) services
BO	Orally administered nutrition, not by feeding tube
BP	The beneficiary has been informed of the purchase and rental options and has elected to purchase the item
BR	The beneficiary has been informed of the purchase and rental options and has elected to rent the item
BU	The beneficiary has been informed of the purchase and rental options and after 30 days has not informed the supplier of his/her decision
CC	Procedure code change (use 'CC' when the procedure code submitted was changed either for administrative reasons or because an incorrect code was filed) (Suppliers should not submit modifier CC)
CG	Policy criteria applied
CR	Catastrophe/disaster-related
CS	Cost sharing waiver for COVID-19 testing
EA	ESA, anemia, chemo-induced
EB	ESA, anemia, radio-induced
EC	ESA, anemia, non-chemo/radio

EJ	Subsequent claims for a defined course of therapy, E.G., EPO, Sodium Hyaluronate, Infliximab
EM	Emergency reserve supply (for ESRD benefit only)
EX	Purchased item/service delivered while an expatriate beneficiary was present in the U.S.
EY	No physician or other licensed health care provider order for this item or service
FA	Left hand, thumb
F1	Left hand, second digit
F2	Left hand, third digit
F3	Left hand, fourth digit
F4	Left hand, fifth digit
F5	Right hand, thumb
F6	Right hand, second digit
F7	Right hand, third digit
F8	Right hand, fourth digit
F9	Right hand, fifth digit
GA	Waiver of Liability statement on file. Valid Advance Beneficiary Notice of Noncoverage (ABN) obtained.
GK	Actual item/service ordered by a physician, the item associated with GA or GZ modifier
GL	Medically unnecessary upgrade provided instead of standard item, no charge, no Advance Beneficiary Notice of Noncoverage (ABN)
GS	Dosage of EPO or Darbepoetin alfa has been reduced and maintained in response to hematocrit or hemoglobin level
GW	Service not related to the hospice patient's terminal condition

GX	A voluntary Advance Beneficiary Notice of Noncoverage (ABN) has been issued to the beneficiary upon receipt of their DMEPOS item because the item was statutorily noncovered or does not meet the definition of a Medicare benefit.
GY	Item or service statutorily excluded or does not meet the definition of any Medicare benefit
GZ	Item or service expected to be denied as not reasonable or necessary (items submitted with GZ are automatically denied and not subject to complex medical review)
J4	DMEPOS item subject to DMEPOS competitive bidding program that is furnished by a hospital upon discharge
J5	DMEPOS item subject to DMEPOS Competitive Bidding Program that is furnished as part of a professional service by physical or occupational therapists
JB	Administered subcutaneously
JG	Drug or biological acquired with 340B drug pricing program discount, reported for informational purposes
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
JW	Drug amount discarded/not administered to any patient
JZ	Zero drug amount discarded/not administered to any patient
K0	Lower extremity prosthesis functional level 0 - Does not have the ability or potential to ambulate or transfer safely with or without assistance and a prosthesis does not enhance their quality of life or mobility
K1	Lower extremity prosthesis functional level 1 - Has the ability or potential to use a prosthesis for transfers or ambulation on level surfaces at fixed cadence. Typical of the limited and unlimited household ambulatory.
K2	Lower extremity prosthesis functional level 2 - Has the ability or potential for ambulation with the ability to traverse low level environmental barriers such as curbs, stairs or uneven surfaces. Typical of the limited community ambulator.

K3	Lower extremity prosthesis functional level 3 - Has the ability or potential for ambulation with variable cadence. Typical of the community ambulator who has the ability to transverse most environmental barriers and may have vocational, therapeutic or exercise activity that demands prosthetic utilization beyond simple locomotion.
K4	Lower prosthesis functional level 4 - Has the ability or potential for prosthetic ambulation that exceeds the basic ambulation skills, exhibiting high impact, stress, or energy levels, typical of the prosthetic demands of the child, active adult, or athlete
KB	Beneficiary requested upgrade for ABN, more than 4 modifiers identified on claim
KC	Replacement of special power wheelchair interface
KD	Drug or biological infused though DME

References	
1.	American Medical Association (AMA). (2024) HCPSC® Level II Professional
2.	American Medical Association (AMA). (2024) CPT® Professional
3.	Durable Medical Equipment (DME) Center CMS. (n.d.). https://www.cms.gov/medicare/payment/fee-schedules/dmepos/center
4.	Center for Medicare and Medicaid Services. (2024). Medicare Claims Processing Manual Chapter 20 - Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS). In cms.gov/medicare/regulations-guidance/manuals/internet-only-manuals-ioms ((Chapter 20, Rev. 12557; Issued: 03-28-24)). https://www.cms.gov/regulations-and-guidance/guidance/manuals/downloads/clm104c20.pdf

- | Vendors |
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| <ul style="list-style-type: none"> Health Plan Services (HPS) |

Review/Revision/Approval History	
Date	Description
07/01/2024	New Policy

Disclaimer
<p>This document is for informational purposes only and should not be relied on in the diagnosis and care of individual patients. Medical and Coding/Reimbursement policies do not constitute medical advice, plan preauthorization, certification, an explanation of benefits, or a contract. Members should consult appropriate healthcare providers for medical advice, care, and treatment. Benefits and eligibility are determined before medical guidelines and payment</p>

guidelines are applied. Benefits are determined by the member's benefit plan, effective when services are rendered.

The codes for treatments and procedures applicable to this policy are included for informational purposes. Including or excluding a procedure, diagnosis, or device code(s) does not constitute or imply member coverage or provider reimbursement policy. Please refer to the member's contract benefits in effect at the time of service to determine coverage or non-coverage of these services as they apply to an individual member.

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