


<b>MEDICAL POLICY</b>	<b>Durable Medical Equipment (All Lines of Business Except Medicare)</b>
<b>Effective Date: 11/1/2021</b>   <div style="text-align: right;">11/1/2021</div>	Medical Policy Number: 142
	Medical Policy Committee Approved Date: 5/95; 1/98; 1/99; 1/00; 1/001; 2/03; 2/04; 3/05; 7/05; 1/06; 1/08; 3/10; 2/12; 6/13; 7/13; 10/14; 10/15; 10/16; 12/16; 1/18; 1/19; 2/2020; 4/2020; 4/2021; 10/2021
Medical Officer                      Date	

**See Policy CPT/HCPCS CODE section below for any prior authorization requirements**

**SCOPE:**

Providence Health Plan, Providence Health Assurance, Providence Plan Partners, and Ayin Health Solutions as applicable (referred to individually as “Company” and collectively as “Companies”).

**APPLIES TO:**

All lines of business except Medicare

**BENEFIT APPLICATION**


Medicaid Members

*Oregon:* Services requested for Oregon Health Plan (OHP) members follow the OHP Prioritized List and Oregon Administrative Rules (OARs) as the primary resource for coverage determinations. Medical policy criteria below may be applied when there are no criteria available in the OARs and the OHP Prioritized List.

**DOCUMENTATION REQUIREMENTS**

The following information may be requested in order to determine if medical necessity criteria are met. See [Policy Guidelines](#) for detailed documentation requirements.

- Make, model and/or manufacturer name of equipment/device
- Clinical documentation from hospitals, nursing facilities, home health agencies, and other health care professionals including details as outlined in relevant policy guidelines, below
- All relevant CPT/HCPCS codes billed

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**POLICY CRITERIA**

This policy is based on the Centers of Medicare and Medicaid Services (CMS) National Coverage Determination (NCD) [280.1](#),<sup>1</sup> Title: Durable Medical Equipment Reference List, effective 05/05/2005, and Medicare Benefit Policy Manual. Chapter 15 – Covered Medical and Other Health Services. 110.1 Definition of Durable Medical Equipment (Rev. 228, 10-13-16).<sup>1,2</sup>

- I. Durable Medical Equipment (DME) may be considered **medically necessary and covered** when all of the following criteria below are met:
  - A. The equipment must be medically necessary for the treatment of a covered illness or injury or to improve the functioning of a malformed, diseased, or injured body part or reduce further deterioration of the patients physical condition; **and**
  - B. The equipment is used in the patients home; **and**
  - C. The equipment is used primarily and customarily to serve a medical purpose, rather than primarily for transportation, comfort or convenience; **and**
  - D. The equipment provides the medically appropriate level of performance and quality for the medical condition present, that is, non-luxury and not deluxe; **and**
  - E. DME for patients in facilities that provide ordinary medical equipment is excluded; **and**
  - F. DME benefit is limited to either the total rental cost or the purchase price, whichever is less.

Examples of COVERED DME: (not all inclusive)

- 1. Alternating pressure pad/mattress,
- 2. Bed pans
- 3. Blood glucose monitor
- 4. Cane
- 5. Commode
- 6. Continuous motion device (Medicare Only)
- 7. Continuous positive pressure airway device
- 8. Crutches
- 9. Face masks (oxygen)
- 10. Gel flotation pad
- 11. Heat Lamp

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12. Heating pad
13. Infusion pump
14. Intermittent positive pressure breathing machines
15. IPPM machine
16. Lymphedema pump
17. Mattress (if hospital bed covered)
18. Muscle stimulator (for specific conditions)
19. Nebulizer
20. Oxygen humidifiers (if oxygen prescribed)
21. Oxygen mask
22. Oxygen regulator
23. Percussor
24. Postural drainage boards (if chronic pulmonary condition)
25. Quad canes (if MAE met)
26. Rolling chairs (if MAE met)
27. Safety roller (if MAE met)
28. Seat lift mechanism of seat lift chair
29. Sitz bath
30. Speech generating devices
31. Suction machine
32. Syringes
33. Traction
34. Trapeze bars
35. Ultraviolet cabinet
36. Urinal
37. Vaporizer
38. Ventilator
39. Walker
40. Wheelchair
41. Whirlpool bath equipment

II. Supplies and Accessories which are necessary for the effective use of durable medical equipment, may be considered **medically necessary and covered**. Examples include but are not limited to:

- A. Drugs/biologics such as Albuterol for nebulizer therapy,
- B. Chemstrips and lancets
- C. Oxygen for regulator and portable gas systems

III. Durable Medical Equipment (DME) is considered **not medically necessary and not covered** if:

- A. The equipment does not serve a medical purpose

- B. The equipment is duplicative
- C. The equipment serves comfort or convenience functions or is primarily for the convenience of a person caring for the patient
- D. The equipment is for first aid or other precautionary-type equipment
- E. The equipment is a self-help device or training equipment for the environmental setting
- F. The equipment exceeds the appropriate level of performance (luxury or deluxe)
- G. The equipment exceeds the total rent cost or purchase price, whichever is less

Examples of NON-COVERED DME: (not all inclusive)

- 1. Ace bandages
- 2. Air cleaners
- 3. Air conditioners
- 4. Baby scales
- 5. Bags
- 6. Bathroom equipment (shower bench, raised toilet seat, tub lifts, etc.)
- 7. Bed baths
- 8. Bed lifters
- 9. Bed boards
- 10. Beds lounges (power or manual)
- 11. Beds Oscillating
- 12. Bed wetting prevention devices
- 13. Bladder stimulators (pacemakers)
- 14. Blood glucose analyzers (reflectance colorimeter)
- 15. Bracelets (Medical alert)
- 16. Car seats
- 17. Carafes
- 18. Catheters [nonreusable disposable supply (§1861(n) of the Act). (See The Medicare Claims Processing Manual, Chapter 20, DMEPOS.)]
- 19. Cradles
- 20. Dehumidifiers
- 21. Diathermy machines (standard or pulsed)
- 22. Disposable sheets or bags
- 23. Elastic stockings (TED hose, surgical stockings; see Compression Hose Stocking medical policies for criteria regarding compression hose)
- 24. Electric air cleaner
- 25. Electrostatic machines
- 26. Elevators
- 27. Emesis basins
- 28. Environmental control devices or that enhance the environmental setting (ergonomic chairs, desks, etc.)
- 29. Esophageal dilators
- 30. Exercise equipment

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31. Fabric supports
32. Face masks, surgical
33. Feminine hygiene products
34. Generators
35. Hand controls for vehicles
36. Heat and massage foam cushions
37. Heating and cooling plants
38. Hose, support
39. Hot tubs and spas
40. Humidifier
41. Identification tags
42. Incontinence pads
43. Irrigating kits
44. Jacuzzis
45. Leotards
46. Low vision aids
47. Massage chair or devices
48. Mobility monitors
49. Oscillating Beds
50. Over-bed table
51. Paraffin bath units
52. Parallel bars
53. Physical fitness equipment
54. Portable room heaters
55. Portable whirlpool pumps
56. Posture chair
57. Preset portable oxygen units
58. Raised toilet seat
59. Ramps
60. Restraints
61. Safety grab bars
62. Sauna bath
63. Sheets
64. Spare oxygen tanks
65. Speech teaching machine
66. Standing tables
67. Strollers
68. Telephone alert system
69. Telephone arm
70. Thermometers
71. Toilet Seats
72. Training equipment (Braille texts)
73. Vans

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- 74. Washcloths
  - 75. Whirlpool pumps
  - 76. White cane
- IV. Durable Medical Equipment (DME) that serves as back up equipment or is duplicative is considered **not medically necessary and not covered**.

## POLICY GUIDELINES

### Documentation Required for Review

While the following information is not required with every claim submission, all or part of it may be requested for auditing purposes. Documentation should include medical records and/or chart notes to support the medical need for the item in question. Other documentation for durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) includes, but may not be limited to, the following:<sup>3-5</sup>

- All requests:
  - Make, model and/or manufacturer name of equipment/device;
  - Indication of whether request is for *initial provision* of item or if request is for the *replacement* of an item;
  - For items noted to be “custom” or “custom made,” documentation must include how the item is uniquely constructed or substantially modified for a specific individual according to a physician’s description and orders (i.e., what makes the item a one-of-a-kind item).
    - This does not apply to custom-*fitted* items, only to custom *fabricated* items. In addition, the use of customized *options or accessories* or custom fitting of *certain parts* does **not** result in equipment being considered “customized.”(3)
- Initial Provision of an item/equipment:
  - Written and signed order or prescription (also referred to as Standard Written Order, or SWO) or certificate of medical necessity (CMN) from the treating provider;
  - Medical records and chart notes relevant to the item or equipment requested, which should include **at least all of** these elements:
    - Diagnosis, medical history, including duration and prognosis of condition, clinical course of the condition (worsening or improving), other attempted interventions with associated outcomes, nature and extent of functional limitations (especially impact to activities of daily living or ADLs, whether or not the individual has used the item before or if the member has received instruction on proper use.
  - Documentation as appropriate for the specific item or equipment under review to support all of the following (this list may not be all-inclusive):
    - Quantity(ies) ordered, frequency of use, and duration of use or length of need.

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- Replacement Requests: Documentation in the medical records and/or chart notes must support the **continued** medical need for the item in question, as well as the reasonable and necessary nature of the replacement request.
  - Replacement due to Irreparable Damage: Verification of how the equipment was damaged (i.e., description of incident which caused the damage) and a physician's order and/or new Certificate of Medical Necessity (CMN) to confirm the continued medical necessity of the item.
  - Replacement due to Irreparable Wear: Documentation that a comprehensive repair evaluation has been conducted which documents specifically what is wrong with the equipment down to the part level. This should also include, when applicable, evidence to demonstrate the items requested are necessary to restore the equipment to a serviceable condition. A physician's order and/or new CMN is also needed to confirm the continued medical necessity of the item. (Note, if a replacement is requested due to irreparable wear of an *accessory*, but the replacement accessory is no longer available and cannot be substituted with another available item, a current detailed written physician's order with an explanation of why the item must be replaced is needed [items which require a CMN may use a current CMN if a sufficient narrative description is included]).
  - Replacement due to Change in the Medical Condition: Documentation detailing what has changed for the member, specifically why the existing equipment is inadequate, and physician's order and/or new CMN to confirm the continued medical necessity of the item.
  - Repair: A repair evaluation is needed and documentation must demonstrate the item/part requested is medically or reasonably necessary to restore the equipment to a serviceable condition. There must also be an attestation that the item or part is not covered under manufacturer warranty.
    - Note: Parts that are not reasonable or medically necessary to make a piece of equipment serviceable should **not** be included with the estimate for the replacement or repair request (e.g., parts used for patient convenience or those which only have aesthetic value do not make the primary DME item serviceable and should not be included in an estimate).
  - Lost DME: Written explanation regarding the circumstances of the loss.
  - Stolen DME: A police report should be provided.

Note: Clinical documentation may include records from hospitals, nursing facilities, home health agencies, and other health care professionals.

#### Same or Similar Equipment

Although an item may be classified as durable medical equipment, it may not be covered in every instance. Coverage in a particular case, such as same or similar equipment is subject to the requirement that the equipment be necessary and reasonable.

Reasonableness of equipment; even though an item of durable medical equipment may serve a useful medical purpose the intermediary will also want to consider to what extent, if any, it would be reasonable to cover the item prescribed. The following considerations will enter into the intermediary's determination of reasonableness;

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1. Would the expense of the item be clearly disproportionate to the therapeutic benefits which could ordinarily be derived from use of the equipment?
2. Is the item substantially more costly than a medically appropriate and realistically feasible alternative of care?
3. Does the item service essentially the same purpose as equipment already available to the patient?

Same or similar equipment rules may not apply to situations where a new device with additional technological features becomes available. The DMERC must evaluate whether the new feature(s) meets the patient’s medical need that is not met by the patients’ current equipment. If the new feature or device meets a current medical need that is not met by the current equipment because the appropriate technology was not available at the time the patient purchased the item, even if there has been no change in the patient’s condition, the 5-year useful lifetime rules do not apply, the new item may be provided. However, if the new item is meeting the same medical need as the old item, but in a more efficient manner or is more convenient, and there is no change in the patient’s condition, the new item is *NOT* covered.

Repairs, Maintenance, Replacement:

- To repair means to fix or mend and to put the equipment back in good condition after damage or wear. Repairs to equipment which a patient owns are covered when necessary to make the equipment serviceable. If the expense for repairs exceeds the estimated expense of purchasing or renting another item of equipment for the remaining period of medical need, no payment can be made for the amount of the excess. Repairs and maintenance of rental or rent to purchase equipment is the responsibility of the durable medical equipment provider and are not covered by the Plan. This includes items in the frequent and substantial servicing, oxygen equipment, capped rental and inexpensive or routinely purchased payment categories which are being rented.

Repair charges may include the cost of a loaner.

A new certificate of medical necessity and/or physician’s order is not needed for repairs.

Maintenance; routine periodic servicing, such as testing, cleaning, regulation, and checking of the patient’s equipment are *not* covered. Such routine maintenance is generally expected to be done by the owner rather than by a retailer or some other person who would charge the patient. Normally, purchasers of durable medical equipment are given operating manuals which describe the type of servicing an owner may perform to properly maintain the equipment. Thus, hiring a third party to do such work would be for the convenience of the patient and would *not* be covered. However, more extensive maintenance, which, based on the manufactures recommendation, is to be performed by authorized technicians, would be covered as repairs. Example; breaking down of sealed components and performing tests which require specialized testing equipment not available to the patient.



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Maintenance of purchased items that require frequent and substantial servicing or oxygen equipment is *not* covered. Maintenance of rented equipment is *not* covered.

A new certificate of medical necessity and/or physician’s order is not needed for covered maintenance.

- Replacement refers to the provision of an identical or nearly identical item. Equipment which the patient owns or is a capped rental item may be replaced in cases of irreparable wear and when required because of a change in the patient’s condition, loss or irreparable damage.

Irreparable wear refers to deterioration sustained from day to day usage over time and a specific event cannot be identified. Replacement of equipment due to irreparable wear takes into consideration the reasonable useful lifetime of the equipment.

The reasonable useful lifetime of durable medical equipment cannot be less than 5 years. Computation of the useful lifetime is based on when the equipment is delivered to the patient, not the age of the equipment. Replacement due to wear is not covered during the reasonable useful lifetime of the equipment. During the reasonable useful lifetime, repair up to the cost of replacement (but not actual replacement) is covered.

Replacement may be covered when there is a change in the patient’s condition with a new physician order.

Irreparable damage refers to a specific accident or to a natural disaster (e.g., fire, flood, etc.). In the event of a third party liability the repair and/or replacement of equipment owned by the patient is not a covered benefit.

Replacement requests suggesting malicious damage, culpable neglect or wrongful disposition of equipment are not covered.

**DESCRIPTION**

Durable Medical Equipment (DME) is medical equipment prescribed by a physician or appropriate health care provider, as part of a medical therapeutic plan.

Durable medical equipment (DME) is a specific treatment modality which:

- A. Can withstand repeated use, is not expendable.
- B. Is primarily used to serve a medical purpose
- C. Is not useful in absence of illness or injury
- D. Is appropriate for use in patient's home

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Back up durable medical equipment is defined as an incidental or similar device that is used to meet the same medical need for the patient but is provided for precautionary reasons to deal with an emergency in which the primary piece of equipment malfunctions

See separate medical policy for “Definition: Mobility Assistive Equipment.”

## **INSTRUCTIONS FOR USE**

Company Medical Policies serve as guidance for the administration of plan benefits. Medical policies do not constitute medical advice nor a guarantee of coverage. Company Medical Policies are reviewed annually and are based upon published, peer-reviewed scientific evidence and evidence-based clinical practice guidelines that are available as of the last policy update. The Companies reserve the right to determine the application of Medical Policies and make revisions to Medical Policies at any time. Providers will be given at least 60-days notice of policy changes that are restrictive in nature.

The scope and availability of all plan benefits are determined in accordance with the applicable coverage agreement. Any conflict or variance between the terms of the coverage agreement and Company Medical Policy will be resolved in favor of the coverage agreement.

## **REGULATORY STATUS**

### Mental Health Parity Statement

Coverage decisions are made on the basis of individualized determinations of medical necessity and the experimental or investigational character of the treatment in the individual case. In cases where medical necessity is not established by policy for specific treatment modalities, evidence not previously considered regarding the efficacy of the modality that is presented shall be given consideration to determine if the policy represents current standards of care.

## **MEDICAL POLICY CROSS REFERENCES**

- Orthotic Foot Devices and Orthopedic Shoes
- Walkers
- Blood Brain Barrier Disruption and Bypass
- Continuous Passive Motion (CPM) Device in the Home Setting (All Lines of Business Except Medicare)
- Compression Bandages, Stockings, and Wraps
- Compression: Outpatient Pneumatic Devices
- Hearing Aids (All Lines of Business Except Medicare)
- Negative Pressure Wound Therapy
- Heating Pads and Heat Lamps
- Seat Lift Chair Mechanism

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- Standing Systems
- Tumor Treatment Fields Therapy for Glioblastoma (All Lines of Business Except Medicare)
- Cefaly Device for Treatment of Migraine Headaches
- Definition: Mobility Assistive Equipment
- Diabetes: Blood Glucose Monitor and Supplies
- Automatic External Defibrillators (AED)
- Home Oxygen Therapy and Equipment for Cluster Headaches
- Bone Growth Stimulators (All Lines of Business Except Medicare)
- Tumor Treatment Fields Therapy for Glioblastoma (Medicare Only)
- Diabetes: Continuous Glucose Monitors (All LOB Except CMS)
- Diabetes: Continuous Glucose Monitors (CMS Only)
- Lower Limb Prosthesis
- Myoelectric Upper Limb Prosthesis
- Rehabilitation: Mechanical Stretching Devices for Joints of the Extremities
- Cold Therapy and Cooling Devices in the Home Setting
- Interferential Stimulation (IFS)
- Sleep Disorder Treatment: Oral Appliances (All Lines of Business Except Medicare)
- Sleep Disorder Treatment: Oral Appliances (Medicare Only)
- Transcutaneous Electrical Nerve Stimulators (TENS) and Related Supplies
- Continuous Passive Motion (CPM) Device in the Home Setting (Medicare Only)
- Diabetes: Insulin Infusion Pumps (External and Implanted) (All Lines of Business Except Medicare)
- Diabetes: Insulin Infusion Pumps (External and Implanted) (Medicare Only)
- Home Oxygen Therapy and Equipment for Cluster Headaches
- Knee Braces (Functional)
- Speech Generating Devices
- Microcurrent Electrical Neuromuscular Stimulation (MENS)
- Diabetes: Integrated Insulin Infusion and Glucose Monitoring Systems (All Lines of Business Except Medicare)
- Diabetes: Integrated Insulin Infusion and Glucose Monitoring Systems (Medicare Only)
- Wheelchairs and Power Vehicles

## REFERENCES

1. Centers for Medicare & Medicaid Services. National Coverage Determination (NCD) for Durable Medical Equipment Reference List (280.1). <https://www.cms.gov/medicare-coverage-database/details/ncd-details.aspx?NCDId=190>. Published 2005. Accessed 2/28/2021.
2. Centers for Medicare & Medicaid Services. Medicare Benefit Policy Manual: Chapter 15 – Covered Medical and Other Health Services. 110.1 Definition of Durable Medical Equipment (Rev. 228, 10-13-16). <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/bp102c15.pdf>. Published 2019. Accessed 2/28/2021.

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4. Medicare Program Integrity Manual, Chapter 5 – Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Items and Services Having Special DME Review Considerations, §5.9 – Documentation in the Patient’s Medical Record. Last updated 2021. <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/pim83c05.pdf>. Accessed 09/21/2021.
5. PDAC Advisory Article, CODING GUIDELINE – K0900 (CUSTOM DURABLE MEDICAL EQUIPMENT, OTHER THAN WHEELCHAIRS). Published 2014. <https://dmepdac.com/palmetto/PDACv2.nsf/DIDC/U2F9VMG152~Articles%20and%20Publications~Advisory%20Articles>. Accessed 09/21/2021.