

Medicare Medical Policy

Home Oxygen Equipment and Supplies

MEDICARE MEDICAL POLICY NUMBER: 292

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INSTRUCTIONS FOR USE: Company Medicare Medical Policies serve as guidance for the administration of plan benefits and do not constitute medical advice nor a guarantee of coverage. Company Medicare Medical Policies are reviewed annually to guide the coverage or non-coverage decision-making process for services or procedures in accordance with member benefit contracts (otherwise known as Evidence of Coverage or EOCs) and Centers of Medicare and Medicaid Services (CMS) policies, manuals, and other CMS rules and regulations. In the absence of a CMS coverage determination or specific regulation for a requested service, item or procedure, Company policy criteria or applicable utilization management vendor criteria may be applied. These are based upon published, peer-reviewed scientific evidence and evidence-based clinical practice guidelines that are available as of the last policy update. 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.

The Company reserves the right to determine the application of Medicare Medical Policies and make revisions to these policies at any time. Any conflict or variance between the EOC and Company Medical Policy will be resolved in favor of the EOC.

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

PRODUCT AND BENEFIT APPLICATION

Medicare Only

MEDICARE COVERAGE CRITERIA

IMPORTANT NOTE: More than one Centers for Medicare and Medicaid Services (CMS) reference may apply to the same health care service, such as when more than one coverage policy is available (e.g., both an NCD and LCD exist). All references listed should be considered for coverage decision-making. The Company uses the most current version of a Medicare reference available at the time of publication; however, these websites are not maintained by the Company, so Medicare references and their corresponding hyperlinks may change at any time. If there is a conflict between the Company Medicare Medical Policy and CMS guidance, the CMS guidance will govern.

Service	Medicare Guidelines
<i>Home Use of Oxygen and Oxygen Equipment – General Coverage Guidance</i>	<p>For general medical necessity criteria for oxygen, as well as variable factors that may affect blood gas values:</p> <ul style="list-style-type: none"> National Coverage Determination (NCD) for Home Use of Oxygen (240.2) <p>The LCD below supplements this NCD, providing the same coverage criteria, as well as providing further clarifying details.</p>
<i>Home Oxygen and Oxygen Equipment – Supplemental Information – Initial Provision</i>	<p>Supplemental information, including clarifications regarding criteria, coding, and documentation requirements and oxygen accessories:</p> <ul style="list-style-type: none"> Local Coverage Determination (LCD): Oxygen and Oxygen Equipment (L33797) <p>See “Policy Guidelines” below</p>
<i>Travel Oxygen Equipment and Spare Tanks</i>	<p>For travel situations, such as short-term travel (i.e., days or weeks) or for temporary relocation (e.g., snowbird) outside of the supplier’s service area): Noridian web page for Travel Oxygen</p> <p>For spare tanks: NCD for Durable Medical Equipment Reference List (280.1)</p>
<i>Replacement of Oxygen Equipment (Excludes Accessories)</i>	<ul style="list-style-type: none"> LCD: Oxygen and Oxygen Equipment (L33797) (See the “Certification” section to determine if repeat blood gas studies are needed for a specific situation) LCA: Oxygen and Oxygen Equipment- Policy Article (A52514) (See the “Reasonable Useful Lifetime (RUL) section for replacement of equipment when a member has both stationary and portable oxygen equipment) <p>Note: The reasonable useful lifetime (RUL) for oxygen equipment is 5 years. When the end date of the RUL occurs, a member may elect</p>

to obtain replacement equipment; however, the replacement must still be medically reasonable and necessary. It is important to advise the member that if they elect to obtain replacement equipment, their financial liability may increase due to the 36-month rental period starting over.

See "[Policy Guidelines](#)" below

IMPORTANT NOTICE: While some services or items may appear medically indicated for an individual, they may also be a direct exclusion of Medicare or the member's benefit plan. Such excluded services or items by Medicare and member EOCs include, but are not limited to, services or procedures considered to be cosmetic, not medical in nature, or those considered not medically reasonable or necessary under *Title XVIII of the Social Security Act, §1862(a)(1)(A)*. If there is uncertainty regarding coverage of a service or item, please review the member EOC or submit a pre-service organization determination request. Note that the Medicare Advance Beneficiary Notice of Noncoverage (ABN) form **cannot** be used for Medicare Advantage members. (*Medicare Advance Written Notices of Non-coverage. MLN006266 May 2021*)

POLICY CROSS REFERENCES

None

The full Company portfolio of Medicare Medical Policies is available online and can be [accessed here](#).

POLICY GUIDELINES

INITIAL PROVISION OF OXYGEN EQUIPMENT

Initial requests for oxygen therapy must be based on the results of a clinical test, such as the measurement of the partial pressure of oxygen (PO₂) in arterial blood or the measurement of arterial oxygen saturation obtained by ear or pulse oximetry. Testing must be ordered and evaluated by the treating practitioner and performed under their supervision or when performed by a qualified provider or supplier of laboratory services. Note that a durable medical equipment (DME) supplier is **not** considered a qualified provider or supplier of laboratory services in this context, but blood gas testing conducted by a hospital certified to do such tests **is** considered a qualified provider in this context.

CONTINUED USE

Diagnosis alone does not guarantee continued coverage of oxygen equipment. There must be documentation of continued medical need for the oxygen and related supplies.

REPLACEMENT OF OXYGEN EQUIPMENT

The reasonable useful lifetime (RUL) for oxygen equipment is 5 years. Replacement of this equipment **prior to** the 5-year RUL is eligible for coverage only in select situations (e.g., lost, stolen, irreparably damaged). Replacement when the 5-year RUL **ends** may be eligible for coverage when medically indicated (i.e., the member continues to use and benefit from the device).

Accessories are not subject to the 5-year RUL and replacement of these items may be warranted sooner.

Replacement of items that are not irreparably worn or damaged and which continue to provide necessary therapeutic benefit for the member would not be considered medically reasonable or necessary because the replacement serves essentially the same purpose as equipment already available to the beneficiary, even if the minimum 5-year reasonable useful lifetime (RUL) for an item is met.^{4,5} Therefore, an individual simply having a particular piece of oxygen equipment for 5-years does not automatically warrant or justify replacement. It must be determined that the existing equipment does not sufficiently meet the clinical and therapeutic needs for the member.

Replacement of oxygen equipment **prior to** the 5-year RUL period being reached:

If due to **irreparable wear**:

- Medicare expects rented equipment to remain in good working order for the entire RUL of the equipment. Therefore, if the equipment does not last for the entire 5-year RUL, the supplier must replace the equipment at no charge.
- For *member-owned* equipment, coverage for replacement equipment is not allowed prior to the 5-year RUL for irreparable **wear** per Medicare statute.

If due to **change in patient medical condition**:

- Replacement of rented or member-owned equipment may be warranted if:
 1. The current item(s) can no longer meet the patient's therapeutic medical needs; **and**
 2. It is the least costly option to replace the equipment in order to meet the patient's medical needs (rather than repair or reconfigure with available options).

Replacement of oxygen equipment **after** the 5-year RUL period is reached due to irreparable wear **OR** replacement at any time due to theft, loss, or irreparable damage:

- If the 5-year RUL of the equipment is reached, replacement must still be medically reasonable and necessary:
 - The member must be regularly using the equipment as prescribed; and,
 - The equipment continues to provide the needed therapeutic benefit.
 - For irreparably worn devices, documentation must support the current device no longer meets the therapeutic medical needs of the member and cannot be repaired to a state where it can provide the needed therapeutic benefit (e.g., it is not cost effective to repair the current device).
 - For lost, stolen, or irreparably damaged devices, documentation of the specific incident of irreparable damage or a written explanation regarding the loss (e.g., details around circumstances of the loss, a police report for stolen items, etc.).

To safeguard member financial liabilities, it is recommended the member be advised of and understands that the provision of a replacement oxygen equipment will result in new member financial liability due to a new 36-month payment period starting again. If it is unknown whether or not the member is aware of this re-initiated financial out-of-pocket, the health plan may attempt to reach the member to confirm this is understood.

Accessories or replacement components of PAP or RAD equipment are not subject to the 5-year RUL and may be replaced prior to the end of the RUL period.

REGULATORY STATUS

U.S. FOOD & DRUG ADMINISTRATION (FDA)

While clearance by the Food and Drug Administration (FDA) is a prerequisite for Medicare coverage, the 510(k) premarket clearance process does not in itself establish medical necessity. Medicare payment policy is determined by the interaction of numerous requirements, including but not limited to, the availability of a Medicare benefit category and other statutory requirements, coding and pricing guidelines, as well as national and local coverage determinations and clinical evidence.

BILLING GUIDELINES AND CODING

GENERAL

See associated local coverage article (LCA) for related coding and billing guidance:

- LCA: Oxygen and Oxygen Equipment- Policy Article ([A52514](#))

RENTAL VS. PURCHASE

Many home oxygen equipment items are eligible for **rental** only. Purchased oxygen equipment is statutorily non-covered. (*LCA A52514 and Medicare Claims Processing Manual, Chapter 20 – Durable Medical Equipment, Prosthetics, Orthotics, and Supplies [DMEPOS], §30.6 – Oxygen and Oxygen Equipment*)

Per Medicare guidelines, no payment is made for oxygen during months 37-60 of the rental period. However, equipment is not eligible for replacement until at least 5-years have passed **AND** replacement is warranted for a clinically indicated device (e.g., the member still uses and benefits from the equipment and their current equipment is not functional or is not functioning at a level sufficient for clinical benefit).

MULTI-FUNCTION HOME VENTILATION SYSTEMS

- If a member is on a multi-function home ventilation system (HCPCS E0467), no separate reimbursement is made for oxygen equipment. (*LCA A52514*).

CODES*		
CPT	None	
Group 1 Codes		
HCPCS	A4575	Topical hyperbaric oxygen chamber, disposable
	E0424	Stationary compressed gaseous oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing
	E0425	Stationary compressed gas system, purchase; includes regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing

E0430	Portable gaseous oxygen system, purchase; includes regulator, flowmeter, humidifier, cannula or mask, and tubing
E0431	Portable gaseous oxygen system, rental; includes portable container, regulator, flowmeter, humidifier, cannula or mask, and tubing
E0433	Portable liquid oxygen system, rental; home liquefier used to fill portable liquid oxygen containers, includes portable containers, regulator, flowmeter, humidifier, cannula or mask and tubing, with or without supply reservoir and contents gauge
E0434	Portable liquid oxygen system, rental; includes portable container, supply reservoir, humidifier, flowmeter, refill adaptor, contents gauge, cannula or mask, and tubing
E0435	Portable liquid oxygen system, purchase; includes portable container, supply reservoir, flowmeter, humidifier, contents gauge, cannula or mask, tubing and refill adaptor
E0439	Stationary liquid oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, & tubing
E0440	Stationary liquid oxygen system, purchase; includes use of reservoir, contents indicator, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing
E0441	Stationary oxygen contents, gaseous, 1 month's supply = 1 unit
E0442	Stationary oxygen contents, liquid, 1 month's supply = 1 unit
E0443	Portable oxygen contents, gaseous, 1 month's supply = 1 unit
E0444	Portable oxygen contents, liquid, 1 month's supply = 1 unit
E0445	Oximeter device for measuring blood oxygen levels non-invasively
E0446	Topical oxygen delivery system, not otherwise specified, includes all supplies and accessories
E0447	Portable oxygen contents, liquid, 1 month's supply = 1 unit, prescribed amount at rest or nighttime exceeds 4 liters per minute (lpm)
E1390	Oxygen concentrator, single delivery port, capable of delivering 85 percent or greater oxygen concentration at the prescribed flow rate
E1391	Oxygen concentrator, dual delivery port, capable of delivering 85 percent or greater oxygen concentration at the prescribed flow rate, each
E1392	Portable oxygen concentrator, rental
E1405	Oxygen and water vapor enriching system with heated delivery
E1406	Oxygen and water vapor enriching system without heated delivery
K0738	Portable gaseous oxygen system, rental; home compressor used to fill portable oxygen cylinders; includes portable containers, regulator, flowmeter, humidifier, cannula or mask, and tubing
Group 2 Codes: Accessories	
A4606	Oxygen probe for use with oximeter device, replacement
A4608	Transtracheal oxygen catheter, each
A4615	Cannula, nasal
A4616	Tubing (oxygen), per foot
A4617	Mouth piece
A4619	Face tent
A4620	Variable concentration mask
A7525	Tracheostomy mask, each
A9900	Miscellaneous DME supply, accessory, and/or service component of another hcpcs code
E0455	Oxygen tent, excluding croup or pediatric tents

E0555	Humidifier, durable, glass or autoclavable plastic bottle type, for use with regulator or flowmeter
E0580	Nebulizer, durable, glass or autoclavable plastic, bottle type, for use with regulator or flowmeter
E1352	Oxygen accessory, flow regulator capable of positive inspiratory pressure
E1353	Regulator
E1354	Oxygen accessory, wheeled cart for portable cylinder or portable concentrator, any type, replacement only, each
E1355	Stand/rack
E1356	Oxygen accessory, battery pack/cartridge for portable concentrator, any type, replacement only, each
E1357	Oxygen accessory, battery charger for portable concentrator, any type, replacement only, each
E1358	Oxygen accessory, dc power adapter for portable concentrator, any type, replacement only, each

***Coding Notes:**

- The code list above is provided as a courtesy and may not be all-inclusive. Inclusion or omission of a code from this policy neither implies nor guarantees reimbursement or coverage. Some codes may not require routine review for medical necessity, but they are subject to provider contracts, as well as member benefits, eligibility and potential utilization audit. According to Medicare, “presence of a payment amount in the MPFS and the Medicare physician fee schedule database (MPFSDB) does not imply that CMS has determined that the service may be covered by Medicare.” The issuance of a CPT or HCPCS code or the provision of a payment or fee amount by Medicare does **not** make a procedure medically reasonable or necessary or a covered benefit by Medicare. (*Medicare Claims Processing Manual, Chapter 23 - Fee Schedule Administration and Coding Requirements, §30 - Services Paid Under the Medicare Physician’s Fee Schedule, A. Physician’s Services*)
- All unlisted codes are reviewed for medical necessity, correct coding, and pricing at the claim level. If an unlisted code is submitted for non-covered services addressed in this policy then it will be **denied as not covered**. If an unlisted code is submitted for potentially covered services addressed in this policy, to avoid post-service denial, **prior authorization is recommended**.
- **See the non-covered and prior authorization lists on the Company [Medical Policy, Reimbursement Policy, Pharmacy Policy and Provider Information website](#) for additional information.**
- HCPCS/CPT code(s) may be subject to National Correct Coding Initiative (NCCI) procedure-to-procedure (PTP) bundling edits and daily maximum edits known as “medically unlikely edits” (MUEs) published by the Centers for Medicare and Medicaid Services (CMS). This policy does not take precedence over NCCI edits or MUEs. Please refer to the CMS website for coding guidelines and applicable code combinations.

REFERENCES

1. Noridian web page for the Joint DME MAC Article, *CMS Issues Interim Final Rules with Comment (CMS-1744-IFC & CMS-5531-IFC) – COVID-19 Public Health Emergency – Revised*; Last updated 07/14/2021; Available at: <https://med.noridianmedicare.com/web/jadme/policies/dmd-articles/2020/cms-issues-interim-final-rules-with-comment-cms-1744-ifc-cms-5531-ifc-covid-19-public-health-emergency-revised3> [Last cited 12/08/2021]
2. Noridian Home Oxygen Initial Qualification Testing Documentation Check List (DCL); Last Updated 07/2021; Available at: <https://med.noridianmedicare.com/documents/2230703/17635061/Home%20Oxygen%20Initial%20Qualification%20Testing%20DCL>
3. Noridian Oxygen and Oxygen Equipment web page; Last Updated: 10/26/2018; Available at: <https://med.noridianmedicare.com/web/jddme/topics/payment-categories/oxygen>
4. Medicare Benefit Policy Manual, Chapter 15 – Covered Medical and Other Health, §110.2 - Repairs, Maintenance, Replacement, and Delivery, C. Replacement; Last Updated: 07/06/2015;

Available at: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c15.pdf> [Last cited 02/08/2022]

5. Medicare Benefit Policy Manual, Chapter 15 – Covered Medical and Other Health, §110.1 - Definition of Durable Medical Equipment; Last Updated: 11/08/2021; Available at: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c15.pdf> [Last cited 02/08/2022]
6. MLN Matters Number: MM12607, *Revisions to National Coverage Determination (NCD) 240.2 (Home Use of Oxygen) and 240.2.2 (Home Oxygen Use for Cluster Headache)*; Last Updated: May 23, 2022; Available at: <https://www.cms.gov/files/document/mm12607-revisions-national-coverage-determination-ncd-2402-home-use-oxygen-and-24022-home-oxygen-use.pdf>
7. Change Request 12607, Transmittal 11429; Dated: May 23, 2022; Available at: <https://www.cms.gov/files/document/r11429ncd.pdf>
8. General Information, Eligibility, and Entitlement Manual, Chapter 7 - Contract Administrative Requirements; Available at: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/ge101c07.pdf>

POLICY REVISION HISTORY

DATE	REVISION SUMMARY
7/2022	Interim update (converted to new format 2/2023)
4/2023	Annual review. No changes
5/2024	Annual review. No changes