



POLICY AND PROCEDURE MANUAL

Policy Title: Durable Medical Equipment		Policy Number: A.01			
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Affiliated Department(s): N/A		URAC Standard: N/A			
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Effective Date: 11/19/2010					
Special Instructions Alert:					
State/Program	MI	IL	IA		
Medicare:	<input checked="" type="checkbox"/> SNP <input checked="" type="checkbox"/> MMAI <input checked="" type="checkbox"/> MA <input checked="" type="checkbox"/> PDP	<input checked="" type="checkbox"/> SNP <input checked="" type="checkbox"/> MMAI <input checked="" type="checkbox"/> MA <input checked="" type="checkbox"/> PDP	<input checked="" type="checkbox"/> SNP <input checked="" type="checkbox"/> MMAI <input checked="" type="checkbox"/> MA <input checked="" type="checkbox"/> PDP	<input type="checkbox"/> SNP <input type="checkbox"/> MMAI <input type="checkbox"/> MA <input type="checkbox"/> PDP	<input type="checkbox"/> SNP <input type="checkbox"/> MMAI <input type="checkbox"/> MA <input type="checkbox"/> PDP
Medicaid:	<input checked="" type="checkbox"/> TANF <input checked="" type="checkbox"/> SPD <input checked="" type="checkbox"/> SCHIP	<input checked="" type="checkbox"/> TANF <input checked="" type="checkbox"/> SPD <input checked="" type="checkbox"/> SCHIP	<input checked="" type="checkbox"/> TANF <input checked="" type="checkbox"/> SPD <input checked="" type="checkbox"/> SCHIP	<input type="checkbox"/> TANF <input type="checkbox"/> SPD <input type="checkbox"/> SCHIP	<input type="checkbox"/> TANF <input type="checkbox"/> SPD <input type="checkbox"/> SCHIP
Commercial:	<input type="checkbox"/> Exchange	<input type="checkbox"/> Exchange	<input type="checkbox"/> Exchange	<input type="checkbox"/> Exchange	<input type="checkbox"/> Exchange

Policy:

Durable Medical Equipment (DME) are those items that are Food and Drug Administration (FDA) approved, can stand repeated use, are primarily and customarily used to serve a medical purpose, are not useful to a person in the absence of illness or injury, and can be used in the beneficiary's home. Examples are: hospital beds, wheelchairs, and ventilators. DME is a benefit for beneficiaries when:

1. It is medically and functionally necessary to meet the needs of the beneficiary.
2. It may prevent frequent hospitalization, institutionalization, or ER visits.
3. It is life-sustaining.

Consumable medical supplies are non-durable medical supplies that:

- Are usually disposable in nature;
- Cannot withstand repeated use by more than one individual;
- Are primarily and customarily used to serve a medical purpose;
- Generally are not useful to a person in the absence of illness or injury;
- May be ordered and/or prescribed by a physician.

Medical Supplies are those items that are required for medical management of the beneficiary, are disposable or have a limited life expectancy, and can be used in the beneficiary's home. Examples are: hypodermic syringes/ needles, ostomy supplies, and dressings necessary for the medical management of the beneficiary. Medical supplies are items covered that:

1. Treat a medical condition.
2. Prevent unnecessary hospitalization or institutionalization.

3. Support Durable Medical Equipment (DME) used by the beneficiary in the home.

Orthotics assist in correcting or strengthening a congenital or acquired physical anomaly or malfunctioning portion of the body. Orthotics are a benefit to:

1. Improve and/or restore the beneficiary's functional level.
2. Prevent or reduce contractures.
3. Facilitate healing or prevent further injury.

Prosthetics artificially replace a portion of the body to prevent or correct a physical anomaly or malfunctioning portion of the body. Prosthetics are a benefit to:

1. Improve and/or restore the beneficiary's functional level.
2. Enable a beneficiary to ambulate or transfer

Determination of coverage is based upon the state’s Medicaid Providers Manual, as well as Medicare National Coverage Decisions (NCD) and Local Coverage Decisions (LCD) and the member’s benefit package.

Additionally, the following must be kept in mind:

- Whether the item has been approved for marketing by the Food and Drug Administration (FDA) and is otherwise generally considered to be safe and effective for the purpose intended; and
- Whether the item is reasonable and necessary for the individual patient.
- Whether there is a lower-price FDA-approved device that can produce a similar benefit.

Special Instructions:

Medicaid/Michigan:

A. **Covered Equipment:** Please refer to the Michigan State Medicaid Provider Manual for the most up to date, specific items covered, indications for coverage, and any limitations on coverage at the following web address: <http://www.mdch.state.mi.us/dch-medicaid/manuals/MedicaidProviderManual.pdf> (Medical Supplier Section)

B. **Non-covered Equipment** *** Note: both columns below list non-covered equipment*

Adaptive Equipment (e.g. rocker knife, swivel spoon)	Air Conditioner
Air Purifier	Custom Seating for secondary and/or transport Chairs
Devices used for play, pre- mobility development, or exercise; Deny – Not considered pediatric mobility devices for the purpose of reimbursement and are not covered (e.g. jet mobile ready racer, creepster crawler).	Enteral formula to accommodate psychological /behavioral conditions, food preferences, allergies, loss of appetite, or noncompliance.
Environmental Control Units	Equipment not used or improperly used by beneficiary
Equipment for social or recreational purposes	Exam/Massage Tables
Footplates, Padded	Exercise Equipment (e.g.tricles, exercise bikes, weights, mats, etc)
Generators	Hand/Body Wash
Heating Pads	Home Modifications (including wheel chair lifts/ramps, etc.)
Items used solely for the purpose of restraining a beneficiary for behavioral or other reasons	Humidifiers (house/room) Items for a beneficiary who is non-compliant with their physician’s plan of care or items ordered primarily due to patient non-compliance (i.e. insulin pump, etc.)
Ice Packs, Hot Tubs	Lift Chairs, Reclining Chairs, Vibrating Chairs
New Equipment when current equipment can be modified to accommodate growth	Nutritional formula representing only a liquid form of food
Nutritional Pudding/Bars	Peri-Wash
Portable Oxygen, when O2 is ordered for night only	Pressure gradient garments for maternity related edema
Prosthetic appliances for a beneficiary with potential functional level of K0	Power Tilt-in-space or reclining wheelchairs for a long-term care resident solely because limited staffing is available

Regular or Diabetic Foods (e.g. Slim fast, Carnation Instant Breakfast, etc.)	School Items (e.g. computers, writing aids, book holders etc.)
Second units for school use	Shoes, beyond one pair on the same date of service
Shoe Inserts, Over the Counter	Sensory Devices (e.g., games, toys, etc.)
Sports Drinks/Juices	Stair Lifts
Standard Infant/Toddler Formula	Toothettes
Therapy Modalities (Bolsters, physio-rolls, therapy balls, jett mobile, etc.)	Transcutaneous Nerve Stimulator when prescribed for headaches, visceral abdominal, pelvic or temporomandibular (TMJ) pain
Ultrasonic osteogenesis Stimulators	Ultraviolet (UV) lighting for Seasonal Affective Disorder
Vacu-brush Toothbrushes	Weight loss or “light/.lite” products
Wheelchair accessories (e.g. horns, lights, bags, special colors, etc.)	Wheelchair, second or additional for beneficiary convenience/preference
Wheelchair lifts or ramps for home or vehicle (all types)	Wigs for Hair Loss

Medicaid/Illinois: *Note:* Please refer to the Illinois State Medicaid Provider Manual for the most up to date, specific items covered, indications for coverage, and any limitations on coverage at the following web address:

<http://www.hfs.illinois.gov/assets/m200.pdf>

A. Covered Services:

- **Nondurable Medical Supplies:** Items which have a limited life expectancy, including but not limited to surgical dressings, bandages, disposable syringes, etc. These items are used for an individual's care for life maintenance or to expedite hospital discharge and enable the person to be cared for at home.
- **Durable Medical Equipment -** Items which can withstand repeated use are primarily designed for medical purposes, generally not useful in the absence of illness or injury and appropriate for use in the home.
- **Prostheses and Orthoses:** Corrective or supportive devices prescribed to artificially replace a missing portion of the body or to prevent or correct physical deformity or malfunction, or to support a weak or deformed portion of the body.
- **Respiratory Equipment and Supplies:** Respiratory items, including oxygen, necessary as a life saving measure, for prevention of a medical emergency or institutionalization, or to facilitate deinstitutionalization.
- **Repair, Alterations and Maintenance:** Repair, alteration and maintenance of necessary durable medical equipment, prostheses, orthoses and hearing aids is limited to patient-owned items.
- **Rental of Medical Equipment:** Under certain circumstances, such as when a patient’s need is known to be temporary, coverage will be for rental rather than purchase of an item. Monaural or binaural hearing aids required to improve or correct a hearing deficit are a covered service. Refer to the Handbook for Audiology Services for policies on coverage and prior approval for hearing aids. Eyeglasses and other devices to correct vision are a covered service. Refer to the Handbook for Optometric Services for policies on coverage and limitations. Refer to Handbook for Providers of Medical Services, Chapter 100 General Policy and Procedures, Foreword, for instructions on obtaining copies of handbooks.

B. Non Covered Services: Payment cannot be made by the Department to providers of medical equipment or supplies for the following:

- Items or services ordered by terminated or barred providers. Items or services provided for the convenience of patients or their families for which medical necessity is not clearly established.
- Items or services inappropriate for the patient's medical condition. Items or services covered by another agency.
- Items or services that require prior approval but for which Department approval has not been obtained. Disposable items, when a permanent equivalent exists.

- Prepackaged "kits" when components are available in bulk. Stock orthopedic shoes, unless used in conjunction with a brace.
- Medical equipment and supplies for residents of Long Term Care facilities except as provided in Topic M-270.
- Prostheses inserted or implanted which do not increase physical capacity, overcome a handicap, restore a physiological function, or eliminate a functional disability.
- Items or services for a patient in a state mental facility. Items or services provided as part of a hospital inpt.stay.
- Items or services provided as part of a hospital outpatient visit that is billed under the Department's Ambulatory Procedures Listing (APL) coverage.
- Items or services fabricated, fitted or dispensed without an appropriate license. Items or services for a patient receiving hospice care, except as provided in Topic M-210.9.
- Any item or service when a less expensive item or service is available and appropriate to meet the patient's need.
- Items or services which duplicate other items or services already approved by the Department for the same patient.

Medicaid/Iowa: Medicaid covers durable medical equipment, prosthetics, orthotics, and supplies prescribed by a physician, physician assistant, or advanced registered nurse practitioner. Only equipment whose use is primarily medical in nature is payable under the program. Items that have only an incidental medical use in individual cases are not covered. Please refer to the Iowa State Medicaid Provider Manual for the most up to date, specific items covered, indications for coverage, and any limitations on coverage at the following web address:
<http://dhs.iowa.gov/sites/default/files/MedEquip.pdf>

Medicare/All States: Please refer to the CMS NCD for the most up to date, specific items covered, indications for coverage, and any limitations on coverage at the following web address: <https://www.cms.gov/medicare-coverage-database/details/ncd-details.aspx?NCDId=190&ncdver=2&bc=BAABAAAAAAAA&>.

When MHP receives a claim for an item of equipment which does not appear to fall logically into any of the generic categories listed, MHP has the authority and responsibility for deciding whether those items are covered under the DME benefit. These decisions must be made by MHP based on the advice of its medical consultants, taking into account:

- The Medicare Claims Processing Manual, Chapter 20, "Durable Medical Equipment, Prosthetics and Orthotics, and Supplies (DMEPOS)."
- Whether the item has been approved for marketing by the Food and Drug Administration (FDA) and is otherwise generally considered to be safe and effective for the purpose intended; and
- Whether the item is reasonable and necessary for the individual patient.

The term DME is defined as equipment which:

- Can withstand repeated use; i.e., could normally be rented and used by successive patients;
- Is primarily and customarily used to serve a medical purpose;
- Generally is not useful to a person in the absence of illness or injury; and,
- Is appropriate for use in a patient's home.

CPT/HCPCS Codes:

A4206, A4207, A4208, A4209, A4213, A4215, A4221, A4230, A4231, A4232, A4233, A4234, A4235, A4236, A4244, A4246, A4250, A4253, A4256, A4258, A4259, A4310, A4311, A4312, A4313, A4314, A4315, A4316, A4320, A4322, A4326, A4327, A4328, A4330, A4331, A4332, A4333, A4334, A4335, A4338, A4340, A4344, A4346, A4349, A4351, A4352, A4353, A4354, A4355, A4356, A4357, A4358, A4361, A4362, A4364, A4365, A4366, A4367, A4368, A4369, A4371, A4372, A4373, A4375, A4376, A4377, A4378, A4379, A4380, A4381, A4382, A4383, A4384, A4385, A4387, A4388, A4389, A4390, A4391, A4392,

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V5253, V5256, V5257, V5260, V5261, V5264, V5266, V5275, V5336

Approved by: _____ Corporate Chief Operating Officer	Date: 10/20/2015
Reviewed and approved by Medical Policy and Procedures Committee:	Date: 08/14/2015
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Reviewed and approved by Physician Advisory Committee:	Date: 09/25/2015
Reviewed and approved by Corporate Compliance Committee:	Date: 10/20/2015

References:

1. Michigan Department of Health & Human Services. Medicaid Provider Manual, Medical Supplier, Sec. 1.8 Durable Medical Equipment, p.1-15 (Version Date: July 1, 2015).
2. Illinois DHFS. Handbook for Providers of Medical Equipment and Supplies, Chapter M-200. (Nov. 1, 2001).
3. Iowa Medicaid Enterprise, Iowa DHS. Medical Equipment and Supply Dealer-Provider Manual. Chapter III- Sec. B3., p.7 (Version Date: May 1, 2014)
4. Medicare.Gov: The Official U.S. Government Site for Medicare. Retrieved from <http://www.medicare.gov/coverage/durable-medical-equipment-coverage.html>
5. Centers for Medicare and Medicaid Service. National Coverage Determination (NCDs). Retrieved from www.CMS.gov

State Letters/ Bulletins					
CMS National/Local Coverage Determination (NCD/LCD)	NCDs- 280.1; 280.2; 280.3; 280.4; 280.6; 280.7; 280.8; 280.10; 280.11; 280.12; 280.13; 280.14;				
Medicare Managed Care Manual:					
Medicaid CFR:					
State Administrative Codes:					
Contract Requirements:					
Related Policies:					