

Policy Name	Oxygen and Oxygen Equipment for Home Use
<p>Summary</p>	<p>Home use of oxygen will be covered if the member has been diagnosed with a severe lung disease or hypoxia related symptom that may improve if oxygen therapy is initiated.</p> <p>Medica will be following CMS clinical guidelines for our Medicare products and expects physicians, practitioners and DME suppliers to comply with the criteria documented in the web link provided below (Related Information).</p>
<p>Medicare Products</p>	<p>Medica Medicare;</p> <ul style="list-style-type: none"> ➤ Medica Prime Solution® ➤ Medica Select Solution® ➤ Medica Advantage SolutionSM <p>CAVEAT: Medica’s administrative guidelines for timely filing and rent-to-CAP are implemented for all Medica Medicare products <i>excluding</i> Medica Advantage SolutionSM, which abides by the CMS published timely filing and rent-to-CAP guidelines.</p> <p>❖ Physician Certification of Need for Oxygen</p> <ul style="list-style-type: none"> • Initial Certification; <ul style="list-style-type: none"> ○ the member must be seen and evaluated by the treating physician within 30 days prior. ○ the blood gas study reported on the CMN must be the most recent study obtained prior to the initial date indicated in Section A of the CMN and must be obtained within 30 days prior to that initial date. <i>Exception:</i> members who were on oxygen in a Medicare HMO and who transitioned to fee-for-service Medicare - the blood gas study must be the most recent test obtained while in the HMO. • Recertification; <ul style="list-style-type: none"> ○ the member must be seen and re-evaluated by the treating physician within 90 days prior to the date of any recertification ○ if not seen and re-evaluated within 90 days prior to recertification but subsequently seen, payment can be made for dates of service between the scheduled recertification date and the physician visit date if the blood gas study criteria are met. <p>Group I criteria initially met;</p>

- the most recent blood gas study prior to the thirteenth month of therapy must be reported on the recertification CMN.
- the estimated length of need on the initial CMN is less than lifetime and coverage is being extended, a repeat blood gas study must be performed within 30 days prior to the date of the recertification CMN.

Group II criteria initially met;

- the most recent blood gas study performed between the 61st - 90th day following initial certification must be reported on the recertification CMN.
- if a qualifying test is not obtained between the 61st - 90th day of home oxygen therapy, but the patient continues to use oxygen and a test is obtained at a later date, if that test meets Group I or II criteria, coverage would resume beginning with the date of that test.
- if the estimated length of need on the initial CMN is less than lifetime and coverage is being extended, a repeat blood gas study must be performed within 30 days prior to the date of the recertification CMN.

The blood gas study reported on the recertification CMN must be the most recent test performed prior to the revised date.

A repeat blood gas study may be requested at any time.

Emergency/Stand-by Oxygen Systems

Not covered as they are considered precautionary and not therapeutic in nature.

Portable Oxygen Systems

A portable oxygen system is covered if the member is mobile within the home and the qualifying blood gas study was performed while at rest (awake) or during exercise. If the qualifying blood gas study was performed during sleep, portable oxygen will be denied.

If coverage criteria are met, a portable oxygen system is usually separately covered in addition to the stationary system. (See exception in Liter Flow Greater Than 4 LPM).

If a portable oxygen system is covered, the supplier must provide whatever quantity of oxygen the patient uses; reimbursement is the same, regardless of the quantity of oxygen dispensed.

LITER FLOW GREATER THAN 4 LPM:

If basic oxygen coverage criteria have been met, a higher allowance for a stationary system for a flow rate of greater than 4 liters per minute (LPM) will be covered only if a blood gas study performed while the patient is on 4 LPM meets Group I or II criteria.

If a member qualifies for additional coverage for greater than 4 LPM of oxygen and also meets the requirements for portable oxygen, coverage is allowed for either the stationary system or the portable system, but not both. When a stationary system and a portable system are billed for the same rental month, the portable oxygen system will be denied.

Oxygen Contents

Oxygen contents are included in the allowance for rented oxygen systems. Stationary oxygen contents are separately billable only when the coverage criteria for home oxygen have been met and they are used with a member owned stationary gaseous or liquid system respectively. Portable contents are separately covered only when the coverage criteria for home oxygen have been met and:

- The member owns a concentrator and rents or owns a portable system, or
- The member rents or owns a portable system and has no stationary system (concentrator, gaseous, or liquid).

If the criteria for separate payment of contents are met, they are separately payable regardless of the date that the stationary or portable system was purchased.

Oxygen Accessories

Accessories, including but not limited to, transtracheal catheters, cannulas, tubing, mouthpieces, face tent, masks, oxygen conserving devices, oxygen tent, humidifiers, nebulizer for humidification, regulators, and stand/rack are included in the coverage for rented systems.

Travel Oxygen

It is the member's responsibility to arrange and pay for oxygen during their travels as oxygen services furnished by an airline or cruise ship, to a member, are noncovered.

Limit or Cap

There is a 36 month (three year) limit, or cap, on monthly billing for stationary and portable oxygen equipment, furnished on or after January 1, 2006.

Maintenance and Servicing (see under "All Products")

Miscellaneous

Only rented oxygen systems are eligible for coverage. Purchased oxygen systems will be denied as contractual obligation –Advance Beneficiary Notification (ABN) does not apply.

Oximeters and replacement probes will be denied as noncovered because they are monitoring devices that provide information to physicians to assist in

managing the member's treatment.

Respiratory therapist services are noncovered under the DME benefit.

Coding Guidelines

If both stationary and portable contents are provided, bill two codes - one for the stationary contents and one for the portable contents.

The appropriate modifier must be used if the prescribed flow rate is less than 1 LPM or greater than 4 LPM. The modifiers may only be used with stationary gaseous or liquid systems or with an oxygen concentrator. They are not to be used with codes for portable systems or oxygen contents.

An oxygen concentrator, dual delivery port, is used in situations in which two members are both using the same concentrator. In this situation, this code should only be billed for one of the members, not both.

Oxygen and water vapor enriching systems may only be used for products for which a written coding verification has been received from the SADMERC.

Code K0738 describes a feature of an oxygen concentrator that allows the member to fill portable gaseous oxygen cylinders from a stationary concentrator. This feature may be integrated into the stationary concentrator or be a separate component. When code K0738 is billed, a portable gaseous oxygen system, rental, must not be used.

Documentation Requirements

An order for each item billed must be signed and dated by the treating physician, kept on file by the supplier, and made available upon request. Items billed before a signed and dated order has been received by the supplier must be submitted with an EY modifier added to each affected HCPCS code.

A Certificate of Medical Necessity (CMN) which has been completed, signed, and dated by the treating physician must be kept on file by the supplier and made available upon request. The CMN may act as a substitute for a written order if it is sufficiently detailed. The CMN for home oxygen is CMS Form 484 (DME Form 484.03). In addition to the order information that the physician enters in Section B, the supplier can use the space in Section C for a written confirmation of other details of the oxygen order or the physician can enter the other details directly—e.g., the means of oxygen delivery (cannula, mask, etc.) and the specifics of varying oxygen flow rates and/or noncontinuous use of oxygen.

For members who qualify for oxygen coverage based only on a sleep oximetry study, the oxygen saturation value reported in question 1b of the Oxygen CMN must be the lowest value (not related to artifact) during the 5 minute

qualifying period reported on the sleep oximetry study. A report of the sleep study documenting the qualifying desaturation must be available upon request.

If both an arterial blood gas and oximetry test have been performed on the same day under the condition reported on the CMN (i.e., at rest/awake, during exercise, or during sleep), the ABG PO₂ must be reported on the CMN.

An Initial, Recertification, or Revised CMN must be submitted in the situations described below. The Initial Date, Recertification Date, and Revised Date specified below refer to the dates reported in Section A of the CMN.

For members who are enrolled subjects in clinical trials approved by CMS and sponsored by the National Heart, Lung, and Blood Institute (NHLBI), a QR modifier must be added to each claim line.

**Commercial
and
Minnesota
Health Care
Programs
(MHCP)
Products**

Medica Health Care Programs (MHCP);

- Medica Choice CareSM
- Medica MinnesotaCare
- Medica DUAL SolutionSM

Oxygen is a covered service when medically necessary and ordered by a physician.

Emergency/Stand-by Oxygen Systems

Not covered as they are considered precautionary and not therapeutic in nature.

Portable Oxygen Systems

A portable oxygen system is covered if the member is mobile within the home. A portable oxygen system is usually separately covered in addition to the stationary system.

If a portable oxygen system is covered, the supplier must provide whatever quantity of oxygen the patient uses; reimbursement is the same, regardless of the quantity of oxygen dispensed.

Oxygen Contents

Oxygen contents are included in the allowance for rented oxygen systems. Stationary oxygen contents are separately billable only when the coverage criteria for home oxygen have been met and they are used with a member owned stationary gaseous or liquid system respectively. Portable contents are separately covered only when the coverage criteria for home oxygen have been met and:

- The member owns a concentrator and rents or owns a portable system, or
 - The member rents or owns a portable system and has no stationary system (concentrator, gaseous, or liquid).
- (Note: unit submission is per tank, not per month)

If the criteria for separate payment of contents are met, they are separately payable regardless of the date that the stationary or portable system was purchased.

Oxygen Accessories

Accessories, including but not limited to, transtracheal catheters, cannulas, tubing, mouthpieces, face tent, masks, oxygen conserving devices, oxygen tent, humidifiers, nebulizer for humidification, regulators, and stand/rack are included in the coverage for rented systems.

Travel Oxygen for MHCP Products

It is the member's responsibility to arrange and pay for oxygen during their travels as oxygen services furnished by an airline or cruise ship, to a member, are noncovered.

Travel Oxygen for Commercial Products

This is a covered benefit for Medica's Commercial Products.

Miscellaneous

Oximeters and replacement probes are monitoring devices that provide information to physicians to assist in managing the member's treatment. These are covered for children age 5 and under (in a home setting), when medically necessary. All others will be denied as bundled into the primary service.

Respiratory therapist services are noncovered under the DME benefit.

Coding Guidelines

If both stationary and portable contents are provided, bill two codes - one for the stationary contents and one for the portable contents.

The appropriate modifier must be used if the prescribed flow rate is less than 1 LPM or greater than 4 LPM. The modifiers may only be used with stationary gaseous or liquid systems or with an oxygen concentrator. They are not to be used with codes for portable systems or oxygen contents.

An oxygen concentrator, dual delivery port, is used in situations in which two members are both using the same concentrator. In this situation, this code should only be billed for one of the members, not both.

Oxygen and water vapor enriching systems may only be used for products for which a written coding verification has been received from the SADMERC.

Code K0738 describes a feature of an oxygen concentrator that allows the member to fill portable gaseous oxygen cylinders from a stationary concentrator. This feature may be integrated into the stationary concentrator or be a separate component. When code K0738 is billed, a portable gaseous oxygen system, rental, must not be used.

Oxygen Services Rental Cap Provision

Oxygen concentrators are subject to a rental cap of 18 months from the date concentrator was delivered. Thereafter, provider may bill Medica once every 6 months a maintenance amount equal to 2 times the monthly rental set forth in their contractual agreement. Any interruption in concentrator usage by member during the 60 days from the date of initially delivery by provider is considered as continuous service.

Volume Ventilators

Stationary or portable volume ventilators are a covered benefit when medically necessary. Provider must provide a back-up ventilator (unless otherwise determined by Medica), but will not bill Medica for a back-up ventilator where member's usage is not continuous (that is not 24 hours per day). However, provider may bill Medica for a back-up ventilator where member's usage is continuous (24 hours per day).

Documentation Requirements

An order for each item billed must be signed and dated by the treating physician, kept on file by the supplier, and made available upon request. Items billed before a signed and dated order has been received by the supplier must be submitted with an EY modifier added to each affected HCPCS code.

For members who are enrolled subjects in clinical trials approved by CMS and sponsored by the National Heart, Lung, and Blood Institute (NHLBI), a QR modifier must be added to each claim line.

SNF, NF, Custodial Care Facility POS

Oxygen and related supplies furnished to a member in a SNF (POS 31) are ordinarily furnished by a SNF to its residents. Such items are included in Medica's reimbursement to the SNF and *are not separately billable*. Oxygen and related supplies furnished to a member in a NF (POS 32) or a Custodial Care Facility (POS 33) are separately billable, when applicable.

**All
Products**

Standard Rental

Only rented oxygen systems are eligible for coverage. Purchased oxygen systems will be denied as contractual obligation, (see “Purchase of Rental Equipment” below), an ABN does not apply.

Exclusions to the Standard Rental Provision

Unless otherwise indicated, oxygen and other respiratory-related equipment and services, (excluding concentrators – see “Coding Guidelines” above) are not subject to the standard rental cap provision.

Purchase of Rental Equipment

In the event Medica elects to purchase equipment currently being rented for a member, provider will apply any and all rental payments already made toward the cost of the purchase of the equipment. If, however, Medica elects to purchase equipment currently being rented and requests that such equipment be replaced with new equipment at the time of purchase, provider will apply rental payments already made, to a maximum of 2 months rental payments, towards the cost of the purchase of the equipment. Medica may at any time elect to purchase equipment being rented for a Member.

Maintenance and Service

Provider agrees to adhere to JCAHO standards regarding maintenance and service of all rental equipment. Payment for the maintenance and service of capped rental equipment will be made to provider by Medica once each 6-month period. Such payments are equal to one month’s rental payment on the respective rental equipment. Labor for repair and repair of owned equipment will be made according to the terms set forth in the contractual agreement.

VapoTherm

VapoTherm devices are non-covered except when contractual agreement has been made.

Definitions

ABN – Advance Beneficiary Notice
CMN – Certificate of Medical Necessity
JCAHO – Joint Council on Accreditation of Healthcare Organizations
HCPCS – Health Care Procedure Coding System
LPM – Liters per minute
NF – Nursing Facility (non-Part A stay)
SNF – Skilled Nursing Facility (Part A stay)

Related

2007 HCPCS Manual

Coding Information

Related Information

CMS website link for DME LCD criteria for MN, ND, SD, WI = http://www.cms.hhs.gov/mcd/index_lmrp_bystate.asp
Criteria is found in the following LCD policy =

- Oxygen and Oxygen Equipment

Resources

- Current Procedural Terminology (CPT)
- Center for Medicare and Medicaid Services (CMS)
- Healthcare Common Procedure Coding System (HCPCS)

Effective Date

August 1, 2007

Revision Date

Explanation of Change

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