



Durable Medical Equipment

I. Policy

University Health Alliance (UHA) will reimburse for durable medical equipment (DME) when it is determined to be medically necessary and when it meets the medical criteria guidelines (subject to limitations and exclusions) indicated below.

II. Definitions

- A. DME is equipment that can withstand repeated use, is primarily and customarily used to serve a medical purpose, is generally not useful to a person in the absence of an illness or injury, and is appropriate for use in the home.
- B. Prosthetics are artificial substitutes that replace all or part of a body organ, or replace all or part of the function of a permanently inoperative, absent, or malfunctioning body part.
- C. Orthotics are rigid or semi-rigid supportive devices used to protect, restore, or improve body function.

III. Criteria/Guidelines

- A. Durable medical equipment, prosthetics and orthotics will be covered (subject to Limitations/ Exclusions and Administrative Guidelines) when the following are met:
 - 1. The item meets the definition of DME, prosthetics, or orthotics as described above (see Section II.);
 - 2. The item is used in the home. Home means the place where the member lives, other than a hospital or skilled or intermediate nursing facility;
 - 3. The item is ordered by the treating physician most qualified and knowledgeable about the device and its application in the individual case;
 - 4. The item is FDA approved for the purpose that it is being prescribed;
 - 5. Criteria is met for the specific DME, orthotic, or prosthetic as stated in the pertinent policies below:
 - a. UHA has developed specific policies for the following items (list is subject to changes and may not be complete):
 - i. Continuous Glucose Monitoring of Interstitial Fluid
 - ii. Home Phototherapy for Neonatal Jaundice
 - iii. Pulse Oximeter for Children
 - iv. Insulin Pumps – External
 - v. High Frequency Chest Wall Oscillation Devices
 - vi. Sleep Apnea Treatment
 - vii. Negative Pressure Wound Therapy
 - viii. Implantable Ventricular Assist Devices and Total Artificial Hearts

- b. In the absence of a UHA medical policy addressing specific durable medical equipment (DME), orthotic, or prosthetic, the Medicare coverage determination criteria in the following sources will be used to determine medical necessity:
 - i. Noridian - Durable Medical Equipment
 - ii. Palmetto GBA Jurisdiction 1
 - iii. Medicare National Coverage Determinations

NOTE:

This UHA payment policy is a guide to coverage, the need for prior authorization and other administrative directives. It is not meant to provide instruction in the practice of medicine and it should not deter a provider from expressing his/her judgment.

Even though this payment policy may indicate that a particular service or supply is considered covered, specific provider contract terms and/or members' individual benefit plans may apply, and this policy is not a guarantee of payment. UHA reserves the right to apply this payment policy to all UHA companies and subsidiaries.

UHA understands that opinions about and approaches to clinical problems may vary. Questions concerning medical necessity (see Hawaii Revised Statutes §432E-1.4) are welcome. A provider may request that UHA reconsider the application of the medical necessity criteria in light of any supporting documentation.

IV. Limitations/Exclusions

- A. The following items will not be covered:
 1. Medical equipment that does not meet the definition of DME, orthotics, or prosthetics as noted above;
 2. Items that are excluded under the patient's plan benefits;
 3. DME that represents a duplicative piece of equipment that is intended to be used as a back-up device, for multiple residences, or for traveling, etc. (e.g., back-up manual wheelchair when a power wheelchair is the member's primary means of mobility, a second wheeled mobility device specifically for work or school use); or
 4. Items that meet the same medical need as the old item but in a more efficient manner or is more convenient, when there is no change in the member's condition;
 5. Items that are not primarily medical in nature (e.g., environmental control equipment, comfort or convenience item, hygienic equipment, exercise equipment, and educational equipment);
 6. Items used primarily for participation in sports, exercise, or leisure activities;
 7. Institutional equipment that will be used in the home setting;
 8. Devices that are not therapeutic in nature (e.g., emergency first-aid or precautionary equipment including but not limited to back-up equipment);
 9. Foot orthotics except for diabetic conditions and fractures.
- B. Routine maintenance of medical equipment or appliance, including periodic servicing (such as testing, cleaning, adjusting, regulating, and check of equipment) is not covered unless it is established that the patient is unable due to illness, injury, or disability to perform the periodic servicing. More extensive maintenance is covered when based on manufacturer's recommendations; it should be performed by an authorized technician:
 1. Repair or maintenance to the extent parts and/or labor is not covered by a manufacturer's or supplier's warranty or by the rental contract.

2. If the equipment or appliance itself is not covered, repair or maintenance for that equipment or appliance is not covered.
3. Battery replacements or recharging related to any appliances or medical equipment is not covered.

V. Administrative Guidelines

- A. To request prior authorization, please submit via UHA's online portal. If a login has not been established, you may contact UHA at 808-532-4000 to establish one.
- B. Prior authorization is required for the following items:
 1. The Vest (High Frequency Chest Wall Oscillation Devices);
 - 2.
 3. Home pulse oximeter;
 4. Custom-fabricated knee brace;
 5. Custom-fabricated prosthetic exceeding \$10,000;
 6. Spinal Cord Stimulator for Pain Management;
 7. Insulin Pump;
 8. Continuous Glucose Monitoring System;
 9. Respiratory Assist Device (BiPAP);
 - a. HCPCS code E0486 (Oral device/appliance used to reduce upper airway collapsibility, adjustable or nonadjustable, custom fabricated, includes fitting and adjustment) for treatment of mild OSA;
 10. Custom fabricated items that are uniquely constructed or substantially modified based on the member's specific need. Please include a complete and clear description of the item;
 11. The following manual wheelchairs:
 - a. Pediatric wheelchairs with HCPCS codes E1231-E1234;
 - b. Adult wheelchairs with HCPCS codes K0004, K0005, and K0009;
 12. Power mobility devices (PMDs) with HCPCS codes K0800-K0898 and push-rim activated power assist devices with HCPCS code E0986;
 13. Any DME with a miscellaneous HCPCS code (E1399 and/or K0108).
- C. Prior authorization is required for repair and/or maintenance of medical equipment.
- D. In addition, prior authorization is required for the purchase of individual equipment or supplies costing more than \$500, or for rental of such equipment when the total cost of the rental will be more than \$100 per month with the exception any items or equipment listed in separate UHA payment policies which do not require prior authorization provided the limitations and exclusions are observed as required in the applicable payment policy.
- E. Documentation supporting the medical necessity should be legible, maintained in the patient's medical record and must be made available to UHA upon request. For items that do not require prior authorization, UHA reserves the right to perform retrospective review using the above criteria to validate if services rendered met payment determination criteria.
- F. UHA has adopted the Medicare categories for items suitable for purchase and/or rental, as well as capped rental items. The intent of UHA benefit coverage for DME items is to pay for either the rental or purchase of the item, whichever is most cost effective. Since the duration of the need for a piece of

equipment by a patient may not be known at the onset of treatment, certain DME items may be initially rented and later purchased. The cost of the equipment's rental will then be applied toward its purchase. Overall payment of rental for DME items may not exceed the purchase price of the items.

- G. Medicare policies are written with claims processing instructions that are not always consistent with UHA claims processing configuration. UHA does however; follow the medical necessity criteria for DME, prosthetics, and orthotics for which we do not have our own policy.
1. For an item described by the same code, a new capped rental period begins if there has been an interruption in the medical necessity for the item and the interruption lasted for 60-plus consecutive days. A 60-plus consecutive day interruption is defined as a period including two full rental months plus whatever days are remaining in the rental month during which the need ends.
 2. For an item described by a different code, a new capped rental period would begin if there is a substantive change in the patient's condition that necessitates a significantly different item. The claim for these items must include, but is not limited to:
 - a. A description of the patient's prior medical condition that necessitated the previous item;
 - b. A statement explaining when and why the medical necessity for the previous item ended; and
 - c. A statement explaining the patient's new or changed medical condition and when the new need began.

VI. Policy History

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