

MEDICAL POLICY



SUBJECT: DURABLE MEDICAL EQUIPMENT - STANDARD and NON-STANDARD	EFFECTIVE DATE: 11/19/99 REVISED DATE: 04/25/02, 03/27/03, 05/22/03, 08/26/04, 02/24/05, 02/23/06, 12/07/06, 04/24/08, 04/23/09, 04/29/10, 08/25/11, 08/23/12, 08/22/13, 08/28/14
POLICY NUMBER: 1.01.00 CATEGORY: Equipment/ Supplies	ARCHIVED DATE: 08/27/15 EDITED DATE: 08/25/16, 08/25/17, 08/23/18 PAGE: 1 OF: 4
<ul style="list-style-type: none">• <i>If a product excludes coverage for a service, it is not covered, and medical policy criteria do not apply.</i>• <i>If a commercial product (including an Essential Plan product) or a Medicaid product covers a specific service, medical policy criteria apply to the benefit.</i>• <i>If a Medicare product covers a specific service, and there is no national or local Medicare coverage decision for the service, medical policy criteria apply to the benefit.</i>	

POLICY STATEMENT:

- I. The rental or purchase of *standard* (e.g., not designed or customized for a specific individual's use) durable medical equipment is eligible for coverage if determined to be medically necessary and when the equipment meets all of the following (refer to Description section):
 - A. must be medically useful; and
 - B. generally is not useful to a person in the absence of illness or injury; and
 - C. ordered by a physician; and
 - D. for primary use in the home; and
 - E. can withstand repeated use; and
 - F. can be used by successive patients; and
 - G. when the therapeutic benefits of the equipment are not able to be accomplished by other customary/standard methods.
- II. Precise rationale is required for consideration of coverage of DME items. When *non-standard* DME items are requested the individual medical condition of the member is considered in order to determine medical necessity.
- III. Coverage is limited to those DME items that adequately meet the patient's medical needs. If special features, or non-standard equipment, are determined to be **medically necessary** for the patient, coverage of the non-standard item will be authorized.

If the patient purchases or rents an item of DME having more non-standard features than the patient's condition requires, coverage will be determined for the equipment that is medically necessary to adequately meet the patient's needs.
- IV. Coverage for DME may include the following:
 - A. Repair, adjustment or replacement of parts and accessories necessary for the normal and effective functioning of the equipment.
 - B. Rental charges for the equipment if it can be rented for a cost less than the purchase price of the equipment.
 - C. Purchased equipment when the purchase of the durable medical equipment would be less expensive than the rental of the equipment or if the equipment is not available for rental.
 - D. Supplies and accessories necessary for the effective functioning of the durable medical equipment.
- V. Benefits are available for necessary repairs and maintenance of *purchased* equipment, unless a manufacturer's warranty or a purchase agreement covers such repairs and maintenance. Benefits are available for replacement of equipment when the replacement is more cost effective than repair. For equipment which had been in use prior to the user enrolling in the health plan, these repair policies will apply if the health plan considers the equipment medically necessary.
- VI. Benefits for repair, maintenance or replacement on *rental* equipment are **ineligible for coverage**. The rental price includes expenses incurred by the provider in maintaining equipment in working order.

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VII. Repair or replacement of equipment damaged due to patient neglect, theft, abuse, or when another available coverage source is an option (e.g., homeowners, rental, auto, liability insurance, etc.) is **ineligible for coverage**.

VIII. Duplicate equipment is considered **not medically necessary**; more than one DME used for the same or similar function is considered a matter of convenience for the member.

IX. Repair, maintenance, or replacement for noncovered items is **ineligible for coverage**.

Refer to Corporate Medical Policy #1.01.08 regarding Patient Lifts, Seat Lift Chair Mechanisms, and Ceiling Lifts.

Refer to Corporate Medical Policy #1.01.12 regarding Home Exercise/Physical Therapy Equipment.

Refer to Corporate Medical Policy #1.01.18 regarding Prosthetic Devices.

Refer to Corporate Medical Policy #1.01.25 regarding Orthotics.

Refer to Corporate Medical Policy #1.01.47 regarding Cervical Traction Devices.

Refer to the appropriate specific Corporate Medical Policy for a specific DME item as applicable.

POLICY GUIDELINES:

I. Eligibility for reimbursement is based upon:

- A. The benefits set forth in the member's subscriber contract;
- B. For items of DME not addressed by a specific Health Plan Medical Policy the decision for coverage of standard and/or non-standard items will be based on the criteria for medical necessity set forth in this policy. Documentation and the individual patient situation will be considered in these determinations.

II. Coverage for non-standard DME will be consistent with what is necessary and reasonable. When a request is received for equipment containing features of an aesthetic nature, features of a medical nature that are not required by the patient's condition, or where there exists a reasonably feasible and medically appropriate alternative pattern of care which is considered standard compared to the equipment furnished, the standard category for the equipment, or alternative treatment that meets the patient's medical needs, will be authorized.

- A. Reasonableness- Although an item of DME may serve a useful medical purpose, it must also be considered to the extent it is reasonable for coverage. The following will be considered:
 1. Would coverage of the non-standard item be clearly disproportionate to the therapeutic benefits that could ordinarily be derived from the use of the standard alternative pattern of care?
 2. Does the item serve essentially the same purpose as the standard equipment already available to the patient?
- B. Medical equipment - Medical equipment is that which is primarily and customarily used for medical purposes, and is not generally useful in the absence of illness or injury. Equipment that can be useful in the absence of illness or injury is **ineligible for coverage** (e.g. blood pressure cuffs).
- C. Equipment that is presumptively nonmedical in nature and used primarily and customarily for a nonmedical purpose, even though the item may have some remote medically related use, will be considered a convenience item and not as "medical equipment" and is **ineligible for coverage**.

For example, devices and equipment used for environmental control or to enhance the environmental setting of the patient are not covered DME (e.g., a cardiac patient may use an air conditioner to lower room temperature in order to possibly reduce fluid loss in the proper fluid balance. Because the primary and customary use of the air conditioner is nonmedical, the air conditioner is not considered medical equipment, and, is therefore, **ineligible for coverage**).

III. In the absence of a Health Plan medical policy addressing a specific DME item, nationally recognized InterQual standards for DME may be utilized if available, otherwise the medical criteria of the Centers for Medicare and Medicaid Services (CMS) may be utilized in determining the medical necessity of the item.

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DESCRIPTION:

I. **Durable Medical Equipment (DME)** is any equipment that provides therapeutic benefits to a patient in need due to certain medical conditions and/or illness. DME consists of items, usually "equipment," that patients use at home. Many in the industry find the term home medical equipment (HME) to be more representative of the products supplied and the terms are often used interchangeably. Walkers, wheelchairs, ventilators and hospital beds are examples of DME. DME excludes structural changes to a patient's home (e.g., ramps).

To qualify as *standard* DME, an item must be **all** of the following:

- A. **Durable.** The item can withstand repeated use (e.g., could normally be rented); and used by successive patients.
- B. **Used at home** - the patient must live in one of the following places:
 1. A "private residence" where the patient receives care;
 2. The patient's "dwelling," a house or an apartment;
 3. A "relative's home" if the patient lives there;
 4. A "place of residence used as a home;" or
 5. A "home for the aged" or retirement home.

Many institutions do not qualify as a "home." For example, a skilled nursing facility (SNF) or a hospital cannot be a DME "home."

- C. **Medically useful.**
 1. The items first use must be medical, something a healthy person would not ordinarily need, and ordered by a physician.
 2. DME is not used solely for the purpose of hygiene (e.g., shower chairs). A bedside commode (or appropriate toileting device for those individuals unable to use a commode) is only considered DME for a patient who is bed bound, room confined, has no toileting facilities in the home, or whose condition confines him/her to a floor of the home where no toileting facilities are located.
 3. A signed physician order (e.g., prescription) is required to document that the item is ordered by a physician.
 4. DME is primarily and customarily used for a medical purpose and generally is not useful to a person in the absence of illness or injury.

D. **Standard DME** is not designed or customized for a specific individual's use.

II. **Non-standard Durable Medical Equipment** is any item of DME that has certain convenience or luxury features that make it more expensive than a standard item (e.g., one that will adequately meet the medical needs of the patient).

III. Medical Supplies needed for the routine use of the DME item are eligible for coverage if the DME item is covered, even though the supplies themselves are not durable.

CODES: Number Description

Eligibility for reimbursement is based upon the benefits set forth in the member's subscriber contract.

CODES MAY NOT BE COVERED UNDER ALL CIRCUMSTANCES. PLEASE READ THE POLICY AND GUIDELINES STATEMENTS CAREFULLY.

Codes may not be all inclusive as the AMA and CMS code updates may occur more frequently than policy updates.

CPT: No code(s)

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HCPCS: Numerous

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ICD10: Numerous

REFERENCES:

Centers for Medicare and Medicaid Services. Medicare Carriers Manual §3045.3 [http://cms.hhs.gov].

KEY WORDS:

DME, Home Medical Equipment, HME.

CMS COVERAGE FOR MEDICARE PRODUCT MEMBERS

There is currently a National Coverage Determination (NCD) for Durable Medical Equipment Reference List. Please refer to the following NCD website for Medicare Members:

<https://www.cms.gov/medicare-coverage-database/details/ncd-details.aspx?NCDId=190&ncdver=2&bc=AgAAgAAAAAAAAAA%3d%3d&>