

REIMBURSEMENT POLICY

Oxygen Aiding Equipment

Active

Policy Number: DME – 002
Policy Title: Oxygen Aiding Equipment
Section: DME
Effective Date: 06/09/16

Product: Commercial FEP Medicare Advantage Platinum Blue

Description

The following policy addresses Blue Cross and Blue Shield of Minnesota's (Blue Cross) oxygen aiding equipment billing.

Definitions

Blue Cross defines oxygen and oxygen aiding equipment as the following items:

- Oxygen
- Ventilators
- Negative-Pressure Ventilators
- Oximeters
- Large-Volume Air Compressors
- Airway-Pressure Monitors (excluding CPAP)
- Oxygen Concentrators and Oxygen Conservers
- Humidifiers that are heated, and used with positive airway pressure devices

Policy Statement

Oxygen equipment is reimbursed on a rental or purchase basis as long the equipment is medically necessary.

Oxygen contents will be reimbursed separately only when the subscriber owns an oxygen system or rents or owns only a portable oxygen system.

Rental of the oxygen stationary systems (E0424 – gas and E0439 – liquid) includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing. Oxygen contents should not be billed separately because it is included in the rental amount for the system.

If a subscriber is renting both the stationary **and** portable system (E0431 – gas and E0434 – liquid), the same guidelines apply.

The only time oxygen contents should be submitted is when a subscriber owns an oxygen system, or if the subscriber is only renting a portable oxygen system.

Oximeters (E0445) – Effective 1/1/2022

Noninvasive devices used to measure oxygen levels in the blood. Blue Cross will cover hospital grade devices in the home when medically necessary for a rent-to-own period of 10 months or purchase for Commercial members. Consumer grade (over the counter) oximeters will be reimbursed for purchase only using code E1399 with an NU modifier and narrative included on the claim.

Oximeter Probes (A4606) – Effective 1/1/2022

Will not be reimbursed separately during the 10-month rental period. Upon purchase, 2 non-disposable probes per year or 5 disposable probes per month will be reimbursed.

Humidifier (E0562) – Effective 1/1/2022

Rental will be limited to a 10-month rent-to-own period for Commercial members.

Medicare does not cover these devices. These devices are not separately billable in a facility setting, they are considered bundled.

Portable Oxygen Billing

The units billed for the following codes should never exceed one (1) per one-month-date range based on the code narrative:

- E0443 – Portable oxygen contents, gaseous (for use only with portable gaseous systems when no stationary gas or liquid system is used), **one month's supply = 1 unit**
- E0444 – Portable oxygen contents, liquid (for use only with portable liquid systems when no stationary gas or liquid system is used), **one month's supply = 1 unit**

In addition to the oxygen contents only codes, E0443 and E0444, the equipment rental or purchase fees are billed separately as appropriate, with the corresponding gaseous or liquid system code as follows:

Code	Definition
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
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

Medicare Guidelines for Processing of Oxygen and Oxygen Equipment

Blue Cross has and will continue to follow the 36-month rental guidelines for oxygen and equipment.

Medicare reimbursement for oxygen equipment is limited to 36 monthly rental payments. Payment for accessories (e.g., cannula, tubing, etc.), delivery, back-up equipment, maintenance, and repairs is included in the rental allowance. Payment for oxygen contents (stationary and/or portable) is included in the allowance for stationary equipment (E0424, E0439, E1390, E1391). If portable oxygen is prescribed, the fee schedule amount for portable equipment is added to the fee schedule amount for stationary oxygen rental. After 36 months of continuous use, Medicare stops making rental payments for the oxygen equipment, but, in almost all circumstances, the beneficiary will continue to get the oxygen equipment, accessories, and supplies from the same supplier with no rental charge until the end of the reasonable useful lifetime of the oxygen equipment (generally five years after the date that the equipment was delivered). When the stationary and the portable oxygen equipment are replaced, a new 36-month rental period and new Reasonable Useful Lifetime (RUL) is started for both the replacement stationary oxygen equipment and the replacement portable oxygen equipment.

The supplier who provides oxygen equipment for the first month must continue to provide any necessary oxygen equipment and all related items and services through the 36-month rental period, unless one of the following exceptions is met:

- Beneficiary relocates temporarily or permanently outside of the supplier's service area
- Beneficiary elects to obtain oxygen from a different supplier
- Individual case exceptions made by CMS or DME MAC
- Item becomes subject to competitive bidding

A new 36-month rental period can begin only in the following situations:

- Specific incident of damage beyond repair (e.g., dropped and broken, fire, flood, etc.) or the item is stolen or lost
- Break-in-need for at least 60 days plus the days remaining in the month of discontinuation and new medical necessity is established

A new 36-month rental period does not start in the following situations:

- Replacing equipment due to malfunction, wear and tear, routine maintenance, repair
- Providing different equipment based on a physician order or beneficiary request for an upgrade
- Changing suppliers

Refer to the following Medicare websites for additional information.

- Medicare.gov
- CMS.gov

Documentation Submission

Documentation must identify and describe the services performed. If a denial is appealed, this documentation must be submitted with the appeal.

Coverage

Eligible services will be subject to the subscriber benefits, Blue Cross or Medicare fee schedule amount and any coding edits.

The following applies to all claim submissions.

All coding and reimbursement is subject to all terms of the Provider Service Agreement and subject to changes, updates, or other requirements of coding rules and guidelines. All codes are subject to federal HIPAA rules, and in the case of medical code sets (HCPCS, CPT, ICD), only codes valid for the date of service may be submitted or accepted. Reimbursement for all Health Services is subject to current Blue Cross Medical Policy criteria, policies found in the Provider Policy and Procedure Manual sections, Reimbursement Policies and all other provisions of the Provider Service Agreement (Agreement).

In the event that any new codes are developed during the course of Provider's Agreement, such new codes will be paid according to the standard or applicable Blue Cross fee schedule until such time as a new agreement is reached and supersedes the Provider's current Agreement.

All payment for codes based on Relative Value Units (RVU) will include a site of service differential and will be calculated using the appropriate facility or non-facility components, based on the site of service identified, as submitted by Provider.

Coding

The following codes are included below for informational purposes only and are subject to change without notice. Inclusion or exclusion of a code does not constitute or imply subscriber coverage or provider reimbursement.

CPT/HCPCS Modifier:	KJ	KX	RR	QA	QB	QE	QF
	QG	QR	NU				
ICD-10 Diagnosis:	N/A						
ICD-10 Procedure:	N/A						
CPT/HCPCS:	A4606	A7027	A7028	A7029	A7030	A7031	A7032
	A7033	A7034	A7035	A7036	A7037	A7038	A7039
	A7044	A7045	E0424	E0430	E0431	E0433	E0434
	E0435	E0439	E0445	E0470	E0471	E0472	E0562
	E0601	E1390	E1391	E1399			
Revenue Codes:	N/A						

Cross Reference

Cross Reference: DME – 001 DME and Supplies
 General Coding – 005 Unlisted Procedure Code Policy



Policy History

06/09/2016	Initial Committee Approval Date
03/20/2018	Annual Policy Review and Code Update
10/26/2021	Annual Policy Review Code Update: Added A4606, E0445, E0562, E1399, NU effective 1/1/2022

2021 *Current Procedural Terminology* (CPT®) is copyright 2021 American Medical Association. All Rights Reserved. No fee schedules, basic units, relative values, or related listings are included in CPT. The AMA assumes no liability for the data contained herein. Applicable FARS/DFARS restrictions apply to government use.

Copyright 2021 Blue Cross Blue Shield of Minnesota