

Policy Number: PA.010.MPC Last Review Date: 08/18/2022 Effective Date: 09/01/2022

# PA.010 - Durable Medical Equipment, Corrective Appliances and Other Devices; Repair/Replacement

Maryland Physicians Care reviews **Durable Medical Equipment (DME), corrective appliances and other devices** medically necessary for the following scenarios:

- 1. Items that require prior authorization.
- 2. Requests for items to be provided by out-of-network vendors.
- 3. Repairs, maintenance and replacement of items when necessary to make the equipment usable.

A Capped Rental DME program has been instituted by Maryland Physicians Care for all lines of business. Under the Capped Rental DME program, all DME identified as capped rental equipment will be rented for a period of 13 months unless indicated otherwise in a specific DME medical or pay policy. Rental will be capped at the 13th month, or when the item has reached its purchase price.

In the absence of references to repairs and replacements in specific DME, corrective appliances and other device related policies, the section related to repairs and replacements in this policy will be applicable.

See also Maryland Physicians Care policies that address coverage of specific DME:

- PA.009 Negative Pressure Wound Therapy
- PA.011 Non-Invasive Bone Growth Stimulators
- PA.012 Microprocessor Knee Prosthesis
- PA.028 Pressure Reducing Support Surfaces
- PA.035 Insulin Pumps
- PA.042 Neuromuscular Electric Stimulators
- PA.066 Chest Wall Oscillation Devices
- PA.070 Power Mobility Devices
- PA.071 Wheelchair Options and Accessories
- PA.072 Cochlear Implants and Bone Conduction Devices
- PA.073 Wheelchair Seating Options
- PA.075 Lymphedema Pumps and Appliances
- PA.087 Specialized Wheelchairs
- MP.006 Continuous Home Pulse Oximetry
- MP.008 Home Apnea Monitoring
- MP.023 Sleep Apnea Treatment, PAP Devices



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- MP.024 Continuous Passive Motion Devices
- MP.040 Speech Generating Devices
- MP.046 Breast Reconstruction Procedures/External Breast Prosthesis
- MP.047 Cough Assist Device
- MP.053 Breast Pumps
- MP.061 Hospital Beds and Accessories
- MP.063 Oral Appliances for Obstructive Sleep Apnea
- MP.094 TENS
- MP.108 Deep Brain Dorsal Column Stimulators
- MP.130 Home Oxygen Therapy
- MP.132 Lower Limb Orthotics and Shoes

#### Limitations

Total payments for a rental item may not exceed its allowable purchase price, except for those items identified as life-sustaining DME (i.e. ventilators). DME add-ons or upgrades that are intended primarily for convenience, or upgrades beyond what is necessary to meet the member's medical needs are not covered.

# General Guidelines for Repairs and Replacements to Medically Necessary DME, Corrective Appliances and Other Devices

## Repairs:

- Repairs to medically necessary DME, corrective appliances and other devices are covered up to the replacement cost when necessary to make the equipment/device serviceable.
- 2. A new Medical Necessity Form (MNF) and/or physician's order is not needed for repairs to an item.
- 3. When the DME, corrective appliance, or other device is under the manufacturer's warranty, repairs are the responsibility of the manufacturer, and are not covered.
- 4. If the expense for repairs exceeds 50% of the estimated expense of purchasing replacement equipment for the remaining period of medical need, payment shall be limited to the replacement cost.
- 5. DME and orthotic equipment rental charges cover the expenses of maintaining the equipment. Separately itemized charges for repair of rented equipment are **not covered**. This includes items in the categories of: frequent and substantial servicing, oxygen equipment, capped rental and low-cost associated items, inexpensive or routinely purchased payment.



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- 6. The following table contains repair units of service (UOS) allowances for commonly repaired items.
  - Units of service include basic troubleshooting and problem diagnosis.
  - The UOS is for common repairs based on standardized labor times.
  - This allowance applies to non-rented and out-of-warranty items.
  - Suppliers may only bill the allowable units of service listed in the table for each repair, regardless of the actual repair time.
  - Claims for repairs must include narrative information itemizing each repair and the time taken for each repair.

Type of Equipment	Part Being Repaired/Replaced	Allowed Units of Service (UOS) One (1) unit of service (UOS) = 15 minutes
CPAP	Blower Assembly	2
Hospital Bed	Pendant	2
Hospital Bed	Headboard/footboard	2
Patient Lift	Hydraulic Pump	2
Seat Lift	Hand Control	2
Seat Lift	Scissor Mechanism	3
Wheelchair- Manual	Anti-tipping device	1
Wheelchair- Manual or Power	Armrest or armpad	1
Wheelchair- Manual or Power	Wheel/Tire (all types, per wheel)	1
Wheelchair- Power	Batteries (includes cleaning and testing)	2
Wheelchair- Power	Charger	2
Wheelchair- Power	Drive wheel motors (Single/pair)	2/3
Wheelchair- Power	Joystick (includes programming)	2
Wheelchair- Power	Shroud/cowling	2

## Replacements:

 Irreparable damage- In cases where loss or irreparable damage has occurred, replacement of both member owned equipment/device and capped rental equipment may be covered.



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- A physician's order and/or a new MNF is needed to reaffirm the continued medical necessity of the item.
- 2. Irreparable wear- replacement may be covered if the item of equipment has been in continuous use for the equipment's useful lifetime.
  - A new physician's order and/or a new MNF is needed to reaffirm the medical necessity of the item.
- 3. DME and Corrective Appliances:
  - The replacement of the equipment before the five year life expectancy can only be done if the item is irreparably damaged, for example by a natural disaster such as fire, flood, etc.
  - Replacement due to wear and tear before the 5-year lifetime is not covered.
  - If DME or corrective appliance reaches its 5-year life expectancy, is in good working order, and meets the beneficiary's medical needs, it should <u>not</u> automatically be replaced.
- 4. Other Devices:
  - The device can be replaced when it is irreparable at the end of its specific life expectancy.

### **Background**

The term Durable Medical Equipment (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.

## References

- Centers for Medicare and Medicaid Services (CMS). National Coverage Determination (NCD) No. 280.1 – Durable Medical Equipment – Reference List. Effective Date: 05/05/2005. <a href="http://www.cms.gov/medicare-coverage-database/details/ncd-">http://www.cms.gov/medicare-coverage-database/details/ncd-</a>
  - details.aspx?NCDId=190&ncdver=2&bc=AgAAgAAAAAAAAA3d%3d&
- Centers for Medicare and Medicaid Services (CMS). CMS Finalizes Rule Creating Prior Authorization Process for Certain Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Items (CMS 6050-F). Page Last Modified: 04/12/2022. <a href="https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-">https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-</a>



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<u>Programs/DMEPOS/Prior-Authorization-Process-for-Certain-Durable-Medical-</u> Equipment-Prosthetic-Orthotics-Supplies-Items.html

3. NHIC Corp.: Repair labor billing and payment policy. Posted: 2/26/2009. http://www.rstce.pitt.edu/RST\_CE\_PW/RSTCE\_AAH\_Doc/022609\_repair.pdf

#### **Disclaimer**

Maryland Physicians Care medical payment and prior authorization policies do not constitute medical advice and are not intended to govern or otherwise influence the practice of medicine. The policies constitute only the reimbursement and coverage guidelines of Maryland Physicians Care and its affiliated managed care entities. Coverage for services varies for individual members in accordance with the terms and conditions of applicable Certificates of Coverage, Summary Plan Descriptions, or contracts with governing regulatory agencies.

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