

# Durable Medical Equipment

Plan: AmeriHealth Caritas Louisiana

Clinical Policy ID: CCP.4009

Recent review date: 11/2023

Next review date: 3/2025

Policy contains: Durable medical equipment; supplies; purchase; rental; replacement.

*AmeriHealth Caritas Louisiana has developed clinical policies to assist with making coverage determinations. AmeriHealth Caritas Louisiana's clinical policies are based on guidelines from established industry sources, such as the Centers for Medicare & Medicaid Services (CMS), state regulatory agencies, the American Medical Association (AMA), medical specialty professional societies, and peer-reviewed professional literature. These clinical policies along with other sources, such as plan benefits and state and federal laws and regulatory requirements, including any state- or plan-specific definition of medically necessary, and the specific facts of the particular situation are considered by AmeriHealth Caritas Louisiana when making coverage determinations. In the event of conflict between this clinical policy and plan benefits and/or state or federal laws and/or regulatory requirements, the plan benefits and/or state and federal laws and/or regulatory requirements shall control. AmeriHealth Caritas Louisiana's clinical policies are for informational purposes only and not intended as medical advice or to direct treatment. Physicians and other health care providers are solely responsible for the treatment decisions for their patients. AmeriHealth Caritas Louisiana's clinical policies are reflective of evidence-based medicine at the time of review. As medical science evolves, AmeriHealth Caritas Louisiana will update its clinical policies as necessary. AmeriHealth Caritas Louisiana's clinical policies are not guarantees of payment.*

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## Policy statement

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Providers of Durable Medical Equipment (DME) must be enrolled in order to participate in this program. Participation is completely voluntary. However, if a provider chooses to participate, he/she must accept the Medicaid payment as payment in full for Medicaid covered services.

The AmeriHealth Caritas Louisiana DME Program covers the least costly alternative based on the recipient's medical necessity for the DME or orthotics/prosthetics device.

The DME, medical supplies, prosthetics and orthotics must be prescribed by the Medicaid recipient's attending physician or physician's authorized representative.

DME is clinically proven and, therefore, medically necessary when the medical necessity criteria are met for use as part of the medical care of a member. Equipment, supplies and repairs which are payable under AmeriHealth Caritas Louisiana require a prior authorization.

In adhering to Early and Periodic Screening, Diagnosis and Treatment (EPSDT) requirements, DME items whether or not listed will be considered for recipients under the age of 21 based on medical necessity. A provider may submit a prior authorization request for recipients under the age of 21 for items not listed.

## Covered Services

The covered items and services include:

- Durable medical equipment (DME);
- Medical supplies;
- Home dialysis supplies and equipment;
- Therapeutic shoes;
- Parenteral and enteral nutrient, equipment and supplies;
- Transfusion medicine; and
- Prosthetic devices, prosthetics and orthotics.

**NOTE:** Durable medical equipment and supplies are not covered for residents in Intermediate Care Facilities for the Developmentally Disabled (ICF/DD) and nursing facilities.

### **Durable Medical Equipment and Supplies**

Durable medical equipment is furnished by a supplier or a home health agency and is equipment that meets the following criteria:

- Can withstand repeated use;
- Is primarily and customarily used to serve a medical purpose;
- Generally is not useful to a recipient in the absence of an illness or injury; and
- Is appropriate for use in the home.

Supplies, including but not limited to one time use supplies, are also covered under the DME Program when medical necessity criteria are met for use as part of the medical care of a recipient. Supplies must meet following criteria:

- Is primarily and customarily used to serve a medical purpose;
- Generally is not useful to a recipient in the absence of an illness or injury; and
- Is appropriate for use in the home.

Providers of durable medical equipment and supplies must obtain prior authorization from AmeriHealth Caritas Louisiana.

### **Prosthetics and Orthotics**

AmeriHealth Caritas Louisiana defines orthotics and prosthetic devices as leg, arm, back and neck braces, artificial limbs including legs, arms and eyes; including replacements, if required because of a change in the recipient's physical condition. An artificial eye is approved if an enucleation occurs and replacement is necessary to maintain contour of the face.

Providers of durable prosthetics and orthotics must obtain a prior authorization from AmeriHealth Caritas Louisiana for all services. This includes and is not limited to rented, purchased, repaired or modified equipment.

### **Non-Covered DME Services and Items**

A non-covered service, item or supply is not available for reimbursement. Listed below are items and services that are not reimbursed by AmeriHealth Caritas Louisiana through the DME program.

- Clinically unproven equipment;
- Comfort or convenience equipment;
- Dentures;

- Disposable supplies customarily provided as part of a nursing or personal care service or a medical diagnostic or monitoring procedure;
- Electric lifts (manual lifts are covered);
- Emergency and non-emergency alert devices;
- Environmental modifications (e.g. home, bathroom, ramps, etc.);
- Equipment designed for use by a physician or trained medical personnel;
- Experimental equipment;
- Facilitated communications (FC);
- Furniture and other items which do not serve a medical purpose;
- Hand Held Showers;
- Investigational equipment;
- Items used for cosmetic purposes;
- Personal comfort, convenience or general sanitation items;
- Physical fitness equipment;
- Precautionary-type equipment (e.g. power generators, backup oxygen equipment);
- Rehabilitation equipment;
- Reimbursement for delivery or delivery mileage of medical supplies;
- Routine and first aid items;
- Safety alarms and alert systems/buttons;
- Scooters;
- Seat lifts and recliner lifts;
- Standard car seats;
- Supplies or equipment covered by Louisiana Medicaid per diem rates (nursing home residents maybe approved for orthotics and prosthetics, but not for DME and supplies);
- Televisions, telephones, VCR machines and devices designed to produce music or provide entertainment;
- Training equipment or self-help equipment;
- Van lifts;
- Wheelchair lifts; and
- Wheelchair ramps.

**NOTE:** This list is not all inclusive.

If coverage is uncertain, the provider should contact the prior authorization unit prior to dispensing the item.

### **Purchase versus Rental**

If equipment is needed temporarily, it may be more cost effective for AmeriHealth Caritas Louisiana to pay for the rental of the equipment. Consideration will be given to the length of time the equipment is needed, to the total rental cost for that period of time, and the purchase price of the item. Equipment will be purchased, not rented, if the total cost of rental exceeds the purchase price.

**NOTE:** Rental reimbursement – The provider cannot charge for features on equipment not medically required by the recipient’s condition.

### **Purchasing Guidelines – Equipment**

AmeriHealth Caritas Louisiana requires that all DME be provided to an eligible recipient with a minimum of a one year DME provider warranty. Providers who make or sell prosthetic or orthotic items must provide a warranty which lasts at least 90 days, from the time the item is delivered to the recipient. If during those 90 days, the item does not work, the manufacturer or dealer must repair or replace the item. AmeriHealth Caritas Louisiana will not reimburse for replacement parts or repairs to the equipment.

AmeriHealth Caritas Louisiana reimbursement includes:

- All elements of the manufacturer's warranty;
- All routine or special equipment servicing, to the extent the same servicing is provided to non-AmeriHealth Caritas Louisiana members;
- All adjustments and modifications needed to make the item safe, useful and functional for the recipient during the entire first year (including customized wheelchairs);
- Delivery, set-up and installation of the DME by trained and qualified provider staff, in the area of the home where the equipment will be used or the appropriate room within the home;
- Adequate training and instruction provided to the recipient or the recipient's responsible caregiver by the provider's trained and qualified staff, in a language understood by the recipient or caregiver regarding the manufacturer's recommendations for the safe, sanitary, effective, and appropriate use of the item; and
- Honoring the required one-year provider warranty for all requests or prescriptions requesting equipment repair made on or before the 366th day of service.

Providers cannot disregard a recipient's requests for warranty equipment repairs or modifications and may not delay needed repairs or modifications, otherwise permitted by DME policy, until the provider's or manufacturer's warranty has expired.

### **Provider Responsibilities – Rental Equipment**

When rental equipment is furnished to a recipient the provider must:

- Ensure and maintain documentation on file that the equipment is routinely serviced and maintained by qualified provider staff, as recommended by the product manufacturer;
- Repair, or replace all expendable parts or items, such as masks, hoses, tubing and connectors, and accessory items necessary for the effective and safe operation of the equipment;
- Substitute like equipment at no additional cost to AmeriHealth Caritas Louisiana if the equipment becomes broken because of normal use while the original rental equipment is being repaired;
- Replace equipment that is beyond repair at no additional charge and maintain documentation of the replacement;
- Maintain documentation that is signed and dated by both the provider and the recipient or recipient's responsible caregiver at the time of delivery, which attests to the fact that instruction has been provided by trained and qualified provider staff to the recipient or caregiver regarding the recipient's or caregiver's responsibility for cleaning the equipment and performing the general maintenance on the equipment, as recommended by the manufacturer; and
- Maintain documentation that is signed and dated by both the provider and the recipient or recipient's responsible caregiver, which attests that the recipient or the caregiver was provided with the manufacturer instructions, servicing manuals, and operating guides needed for the routine service and operation of the specific type or model of equipment provided.

### **Limitations for Replacement of Equipment**

AmeriHealth Caritas Louisiana will not replace equipment that is lost, destroyed or damaged as a result of misuse, abuse, neglect, loss, or wrongful disposition of equipment by the recipient, the recipient's caregiver(s), or the provider. At a minimum, examples of equipment misuse, abuse, neglect, loss or wrongful disposition by the recipient, the recipient's caregiver, or the provider include, but are not limited to, the following:

- Failure to clean and maintain the equipment as recommended by the equipment manufacturer;
- Failure to store the equipment in a secure and covered area when not in use; and
- Loss, destruction or damage to the equipment caused by the malicious, intentional or negligent acts of the recipient, the recipient's caregiver, or the provider.

If equipment is stolen or destroyed in a fire, the provider must obtain, in a timely manner, a completed police or insurance report that describes the specific medical equipment that was stolen or destroyed. The police or insurance report must be submitted with the new prior authorization request.

AmeriHealth Caritas Louisiana may replace equipment when the recipient's medical necessity changes. The provider must submit the documentation required to justify the purchase of the replacement equipment.

### **Equipment Maintenance and Repair**

AmeriHealth Caritas Louisiana will reimburse for the maintenance and repair of equipment only when the following conditions are met:

- Equipment is covered by AmeriHealth Caritas Louisiana;
- Equipment is the personal property of the recipient;
- Item is still medically necessary;
- The equipment is used exclusively by the recipient;
- No other payment source is available to pay for the needed repairs;
- Equipment damage is not due to misuse, abuse, neglect, loss or wrongful disposition by the recipient, the recipient's caregiver, or the provider (see examples of misuse, abuse, neglect, loss or wrongful disposition under "Limitations for Replacement of Equipment" above);
- Equipment maintenance is performed by a qualified technician;
- Maintenance is not currently covered under a manufacturer's or provider's warranty agreement; and
- Maintenance is not performed on a duplicate type of item already being maintained for the recipient during the maximum limit period.

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## **References**

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Louisiana Medicaid Durable Medical Equipment Provider Manual. 2010. *Services and Limitations*. Chapter 18, Section 18.0. Replaced 09/01/10. Issued 07/20/21.

Louisiana Medicaid Durable Medical Equipment Provider Manual. 2010. *Services and Limitations*. Chapter 18, Section 18.1. Replaced 07/20/21. Issued 01/03/22.

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## **Policy updates**

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Initial review date: 3/2/2021

3/2022: Policy updated.

11/2023: Policy updated.