

Durable Medical Equipment, Orthotics and Prosthetics Policy, Professional

IMPORTANT NOTE ABOUT THIS REIMBURSEMENT POLICY

You are responsible for submission of accurate claims. This reimbursement policy is intended to ensure that you are reimbursed based on the code or codes that correctly describe the health care services provided. UnitedHealthcare reimbursement policies may use Current Procedural Terminology (CPT®), Centers for Medicare and Medicaid Services (CMS) or other coding guidelines. References to CPT or other sources are for definitional purposes only and do not imply any right to reimbursement.*

This reimbursement policy applies to all health care services billed on CMS 1500 forms and, when specified, to those billed on UB04 forms. Coding methodology, industry-standard reimbursement logic, regulatory requirements, benefits design and other factors are considered in developing reimbursement policy.

This information is intended to serve only as a general reference resource regarding UnitedHealthcare's reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, UnitedHealthcare may use reasonable discretion in interpreting and applying this policy to health care services provided in a particular case. Further, the policy does not address all issues related to reimbursement for health care services provided to UnitedHealthcare enrollees. Other factors affecting reimbursement may supplement, modify or, in some cases, supersede this policy. These factors may include, but are not limited to: legislative mandates, the physician or other provider contracts, the enrollee's benefit coverage documents and/or other reimbursement, medical or drug policies. Finally, this policy may not be implemented exactly the same way on the different electronic claims processing systems used by UnitedHealthcare due to programming or other constraints; however, UnitedHealthcare strives to minimize these variations.

UnitedHealthcare may modify this reimbursement policy at any time by publishing a new version of the policy on this Website. However, the information presented in this policy is accurate and current as of the date of publication.

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Application

This reimbursement policy applies to services reported using the 1500 Health Insurance Claim Form (a/k/a CMS-1500) or its electronic equivalent or its successor form. This policy applies to all products, all network and non-network physicians and other qualified health care professionals, including, but not limited to, non-network authorized and percent of charge contract physicians and other qualified health care professionals.

Policy

Overview

This policy describes how UnitedHealthcare reimburses for the rental and/or purchase of certain items of Durable Medical Equipment (DME), Prosthetics and Orthotics. The provisions of this policy apply to the Same Specialty Physicians and Other Health Care Professionals, which includes DME, Prosthetic and Orthotic vendors, renting or selling DME, Prosthetics or Orthotics.

For purposes of this policy, Same Specialty Physician or Other Health Care Professional is defined as physicians and/or other health care professionals of the same group and same specialty reporting the same Federal Tax Identification number (TIN).

Refer to the UnitedHealthcare "Maximum Frequency per Day" policy for additional information pertaining to reimbursement for physician claims submitted with multiple units for the same CPT or HCPCS code on the same date of service.

Reimbursement Guidelines

Rental and Purchase Modifiers

Some DME items are eligible for rental as well as for purchase. The codes representing these items are listed in **Items Eligible for Rental or Purchase** in the Attachments section below and must be reported with the appropriate rental or purchase modifier in order to be considered for reimbursement.

Some DME items are eligible for rental only. The codes representing these items are listed in **Items Eligible for Rental Only** in the Attachments section below and must be reported with the appropriate rental modifier in order to be considered for reimbursement.

Total reimbursement of fees reported for a single code (modified with RR and/or NU) from a single vendor is limited to either the purchase price of the item or a maximum number of rental months, whichever is less. These rental limits do not apply to oxygen equipment or to ventilators.

Rental guidelines are explained further in the sections titled **Monthly Rental** and **Daily Rental**.

Rental Modifiers

The following modifiers indicate that an item has been rented:

- RR Rental
- KH Initial Claim, purchase or first month rental
- KI Second or third monthly rental
- KJ Capped rental months four to fifteen
- KR Partial month

Purchase Modifiers

The following modifiers indicate that an item has been purchased:

- NU New Equipment (use the NR modifier when DME which was new at the time of rental is subsequently

- purchased)
- UE Used Equipment
- NR New when rented
- KM Replacement of facial prosthesis including new impression/moulage
- KN Replacement of facial prosthesis using previous master model

Monthly Rental

Monthly Rental

Monthly rental of DME, Orthotics, or Prosthetics identified by the applicable code with a rental modifier RR and/or modifiers KH, KI, KJ, KR appended will be reimbursed once per Calendar Month to the Same Specialty Physician or Other Health Care Professional. A Calendar Month is the period of duration from a day of one month to the corresponding day of the next month (please see Definitions) and is determined based on the "From" date reported on the claim.

If a code is submitted with modifier RR and/or modifiers KH, KI, KJ, KR with units greater than 1, or multiple times during the same Calendar Month, UnitedHealthcare will only reimburse one monthly rate per Calendar Month to the Same Specialty Physician or Other Health Care Professional except where noted below.

Modifiers RT and LT

- An additional rental rate will be allowed in the same Calendar Month for codes with a rental modifier when both modifiers RT and LT are submitted for the same HCPCS code on separate lines. Modifiers RT and LT may be used to report an item for the right or left side of the body. Use of these modifiers may convey that multiples of that item are being utilized.

Second Ventilator

It may be necessary for a patient to rent two ventilators in the same month. Examples of situations where a second ventilator may be necessary include:

- A patient requires one type of ventilator (e.g., a negative pressure ventilator with a chest shell) for part of the day and needs a different type of ventilator (e.g., a positive pressure ventilator with a nasal mask) during the rest of the day.
- A patient who is confined to a wheelchair requires a ventilator mounted on the wheelchair for use during the day and needs another ventilator of the same type for use while in bed. Without both pieces of equipment the patient may be prone to certain medical complications, may not be able to achieve certain appropriate medical outcomes, or may not be able to use the medical equipment effectively.

One additional rental rate will be allowed in the same Calendar Month for a second ventilator reported with a rental modifier plus modifier KX (Requirement specified in the medical policy have been met) appended to HCPCS code E0465 or E0466.

Codes with Extension/Flexion, Supination/Pronation, or Each in the Description

- Up to two rental rates will be allowed in the same Calendar Month for codes with "extension/flexion," "supination/pronation" or "each" in the description. These codes describe services where multiple devices may be reported. If these codes are reported with modifiers RT and LT and multiple units, UnitedHealthcare will consider for separate reimbursement up to two units for each side for a total of up to four rental rates in the same Calendar Month.

For additional information, refer to the Questions and Answers section, Q&A #4, and the Attachments section.

Reporting Monthly Rental

Monthly rental of DME, Orthotics, or Prosthetics should be reported on a 1500 Health Insurance Claim Form (a/k/a CMS-1500) or its electronic equivalent or its successor form according to the National Uniform Billing Committee (NUBC) and

the National Uniform Claim Committee (NUCC) guidelines.

The appropriate HCPCS code and rental modifier are submitted with one unit for each Calendar Month time span. The rental initiation date is entered in the "From" field, and the end date in the "To" field.

In the following example, the rental for HCPCS code E1130 (Standard wheelchair, fixed full-length arms, fixed or swing-away detachable footrests), is initiated on 1/10, and the item is rented for 3 months. The claim should be submitted as follows:

Code	Modifier	Units	From Date	To Date
E1130	RR	1	1/10	2/9
E1130	RR	1	2/10	3/9
E1130	RR	1	3/10	4/9

E1130-RR reported with 3 units, a From Date of 1/10 and a To Date of 4/9 on one line will result in reimbursement of only 1 unit.

Daily Rental

UnitedHealthcare will allow a daily rental for the following items to the Same Specialty Physician or Other Health Care Professional.

HCPCS codes E0935 (Continuous passive motion exercise device for use on knee only), and E0936 (Continuous passive motion exercise device for use other than knee) are reimbursed on a daily basis consistent with CMS guidelines.

The following HCPCS codes are also reimbursed on a daily basis:

- E0193, Powered air flotation bed (low air loss therapy)
- E0194, Air fluidized bed
- E0277, Powered pressure-reducing air mattress
- E0304, Hospital bed, extra heavy-duty, extra wide, with weight capacity greater than 600 pounds, with any type side rails, with mattress
- E0371, Nonpowered advanced pressure reducing overlay for mattress, standard mattress length and width
- E0372, Powered air overlay for mattress, standard mattress length and width
- E0373, Nonpowered advanced pressure reducing mattress
- E1639, Scale, each
- E2402, Negative pressure wound therapy electrical pump, stationary or portable

Maintenance and Service Fees

UnitedHealthcare allows for reimbursement of maintenance and service once every six months to the Same Specialty Physician or Other Health Care Professional. The appropriate HCPCS code appended with modifier MS (maintenance/service fee) is required to identify such services. The Maintenance and Service modifier (MS) must be reported on a separate line in order to be considered for separate reimbursement from the rental or purchase of the equipment.

Maintenance and Service includes the following:

- regular routine maintenance and performance checks as required to maintain the warranty or performance standards
- re-education
- compliance with alerts and recalls

- necessary supplies in accordance with the applicable agreement
- back-up equipment
- emergency availability and replacement equipment when out-of-service for repair.

For the purposes of this policy, maintenance and servicing does not apply to Orthotics or Prosthetics.

HCPCS Codes A9900, A9901 and L9900

Delivery, set-up and supplies are included in the payment rates associated with a DME, Orthotic, or Prosthetic item. They are not reimbursable services when submitted alone or with another service.

Therefore, UnitedHealthcare will not separately reimburse the following codes:

- A9900 (Miscellaneous DME supply, accessory, and/or service component of another HCPCS code)
- A9901 (DME delivery, set up, and/or dispensing service component of another HCPCS code)
- L9900 (Orthotic and prosthetic supply, accessory, and/or service component of another HCPCS L code)

Place of Service

DME Suppliers

Consistent with CMS guidelines, reimbursement of certain DME items is limited to a place of service (POS) that qualifies as the patient's home. The following POS codes would qualify as the patient's home: 01, 04, 09, 12, 13, 14, 16, 31, 32, 33, 54, 55, 56, and 65.

DME suppliers should report the POS code where the device is intended to be used. DME dispensed for use in a POS other than the patient's home are not reimbursable.

Refer to the UnitedHealthcare "Supply Policy" for additional information pertaining to place of service 31 or 32.

Devices not intended for home use

There are specific DME items or implantable devices that are not suitable for dispensing or using in the home setting and are therefore not reimbursed with a home POS.

Initial Purchase and/or Rental

CMS guidelines indicate when DME items are purchased or rented; there are certain supplies that are included in the initial purchase or during the rental period.

For example, upon initial issue of a walker (E0141), if brakes are being provided at the same time, the charges for these are included in the reimbursement for the walker and may not be billed separately.

Definitions





Calendar Month	The period from a day of one month to the corresponding day of the next month.
Durable Medical Equipment (DME)	Medical equipment which: *Can withstand repeated use *Is not disposable *Is used to serve a medical purpose *Is generally not useful to a person in the absence of sickness or injury *Is appropriate for use in the home
Orthotic	An external appliance such as a brace or splint that prevents or assists movement of the spine or limbs. A brace is used for the purpose of supporting a weak or deformed body part of a Customer or restricting or eliminating motion in a diseased or injured part of the body.
Prosthetic	A device that replaces all or part of an external body organ or all or part of the function of

	a permanently inoperative or malfunctioning external body organ.
Same Specialty Physician or Other Health Care Professional	Physicians and/or other health care professionals of the same group and same specialty reporting the same Federal Tax Identification number.

Questions and Answers

1	<p>Q: Why is a rental month defined as a Calendar Month when months vary as to their number of days?</p> <p>A: The rationale for reimbursing rental once per Calendar Month rather than once per 30 day period is due to the fact that some months are less or greater than 30 days. Billing trends indicate that rentals are reported on a cycle billing method; i.e., item dispensed on 1/9, and rented for 3 continuous months. Resulting bills will be submitted with 1/9 and 2/9 and 3/9 dates of service.</p>
2	<p>Q: How should monthly rental of DME items be reported?</p> <p>A: According to the National Uniform Billing Committee (NUBC) and the National Uniform Claim Committee (NUCC), monthly rental of an item should be reported on a single claim line with one unit and a single calendar month date span—that is, for one month, enter the rental initiation date in the From field and the end date of that month’s rental in the To field. Rental charges for multiple months should not be reported on the same line. If two claims are submitted that show From dates in the same month for the same item from the Same Specialty Physician or Other Health Care Professional, only one claim will be allowed and the second claim for the same month will not be covered. See the policy section titled Reporting Monthly Rental for an example of how to report more than one month’s rental for the same item. Note that each line in the example has a From date in a different month.</p>
3	<p>Q: Why does UnitedHealthcare pay a full Calendar Month rental rate when modifier KR is used, which indicates the item is only rented for a partial Calendar Month?</p> <p>A: Regardless of whether the item is used for a full Calendar Month or only a few days within a Calendar Month, UnitedHealthcare allows reimbursement only once per calendar month to the Same Specialty Physician or Other Health Care Professional. For example, E0202 (Phototherapy [bilirubin] light with photometer) is reported with modifier KR and 7 units to indicate the number of days it was used in a calendar month. Regardless of the number of days it is used within that calendar month, UnitedHealthcare pays a single monthly rate and does not prorate the services to allow a daily rate.</p> <p>The exceptions to the above are the items listed in the section titled Daily Rental.</p>
4	<p>Q: How should a vendor report devices that have been provided for extension and flexion on both sides of the body, e.g., code E1800 (Dynamic adjustable elbow extension/flexion device, includes soft interface material)?</p> <p>A: Because two devices are needed for each side of the body, it is appropriate to report these items as E1800-RR-RT with two units for the right side, and E1800-RR-LT with two units for the left side.</p>
5	<p>Q: Are repair codes K0739 (Repair or nonroutine service for durable medical equipment other than oxygen equipment), K0740 (Repair or nonroutine service for oxygen, per 15 minutes) or K0462 (Temporary replacement for patient-owned equipment being repaired) reimbursed during the rental period for Durable Medical Equipment?</p> <p>A: Repair of DME items is included in the rental payment and not separately reimbursed. Repair may be allowed for DME items that are purchased (patient-owned).</p>

Attachments

 Codes with Each in Description	A list of codes indicating that more than one device or service may be reported.
 Codes with Flexion, Extension, Pronation or Supination in Description	A list of codes indicating that more than one device or service may be reported.
 Items Eligible for Rental or Purchase	A list of codes representing items that may be eligible for rental or purchase and that must be reported with an appropriate rental or purchase modifier.
 Items Eligible for Rental Only	A list of codes representing items that may be eligible for rental only and that must be reported with an appropriate rental modifier.

Resources

UnitedHealthcare Durable Medical Equipment Services All Payer Appendix

Centers for Medicare and Medicaid Services, CMS Manual System and other CMS publications and services

Noridian Healthcare Solutions, CMS DME MAC Contractor Local Coverage Determinations (LCD)

CGS Administrators, CMS DME MAC Contractor Local Coverage Determinations (LCD)

History

3/31/2019	Policy Version Change Title section: Removed Annual Approval information & moved policy # to the header
1/1/2019	Annual Policy Version Change History Section: Entries prior to 1/1/17 archived
10/1//2018	Reimbursement Guidelines Section: Place of Service and Initial Purchase and/or Rental sections added Resources Section: Noridian Healthcare Solutions and CGS Administrators added. Questions and Answers Section: Q&A #5 removed; new Q&A #5 added DME Suppliers Section: removed "such as" and added "or"
7/11/2018	Policy Approval Date Change. No new version.
4/1/2018	Attachments Section: Codes with Each in Description, Codes with Flexion, Extension, Pronation or Supination in Description, Items Eligible for Rental or Purchase lists updated
1/1/2018	Annual Policy Version Change Attachments Section: Codes with Each in Description list updated History Section: Entries prior to 1/1/16 archived.
7/12/2017	Policy Approval Date Change. No new version.



4/2/2017	Attachments Section: Items Eligible for Rental or Purchase list updated
1/1/2017	Annual Policy Version Change Reimbursement Guidelines Section: 2013 removed from example in Reporting Monthly Rental section Questions and Answers Section: 2013 removed from dates in Q&A #1 Attachments Section: Codes with Each in Description, Codes with Flexion, Extension, Pronation or Supination in Description, Items Eligible for Rental or Purchase lists updated History Section: Entries prior to 1/1/15 archived.