

## Durable Medical Equipment Charges in a Skilled Nursing Facility Policy, Professional

### **IMPORTANT NOTE ABOUT THIS REIMBURSEMENT POLICY**

This policy is applicable to UnitedHealthcare Medicare Advantage Plans offered by UnitedHealthcare and its affiliates.

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 Medicare Advantage reimbursement policies 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 (CMS 1450). 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 resource regarding UnitedHealthcare's Medicare Advantage reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, UnitedHealthcare Medicare Advantage 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 Medicare Advantage 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, and/or the enrollee's benefit coverage documents\*\*. Finally, this policy may not be implemented exactly the same way on the different electronic claims processing systems used by UnitedHealthcare Medicare Advantage due to programming or other constraints; however, UnitedHealthcare Medicare Advantage strives to minimize these variations.

UnitedHealthcare Medicare Advantage may modify this reimbursement policy at any time to comply with changes in CMS policy and other national standard coding guidelines by publishing a new version of the reimbursement policy on this website. However, the information presented in this reimbursement policy is accurate and current as of the date of publication. UnitedHealthcare Medicare Advantage encourages physicians and other health care professionals to keep current with any CMS policy changes and/or billing requirements by referring to the CMS or your local carrier website regularly. Physicians and other health care professionals can sign up for regular distributions for policy or regulatory changes directly from CMS and/or your local carrier. UnitedHealthcare's Medicare Advantage reimbursement policies do not include notations regarding prior authorization requirements.

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*\*\* For more information on a specific enrollee's benefit coverage, please call the customer service number on the back of the member ID.*

### **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 and 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 the reimbursement methodology for Healthcare Common Procedure Coding System (HCPCS)

codes representing Durable Medical Equipment Charges, Parental and Enteral Nutrition (PEN) Items and Services listed on the Centers for Medicare and Medicaid PEN Fee Schedule and Medicare Durable Medical Equipment, Prosthetics & Orthotics (DMEPOS) Fee Schedule when billed in Skilled Nursing Facility (SNF) Place of Service (POS) by a Physician or Other Qualified Health Care Professional.

- CR: Capped Rental
- FS: Frequently Serviced Items
- IN: Inexpensive or Routinely Purchased
- OS: Ostomy, Tracheostomy & Urological Items
- OX: Oxygen and Oxygen Equipment
- PO: Prosthetics & Orthotics
- SD: Surgical Dressings
- SU: Supplies
- TE: Transcutaneous Electrical Nerve Stimulation (TENS)

### Reimbursement Guidelines

When Durable Medical Equipment (DME), Prosthetics & Orthotics and PEN Items are furnished for use in a SNF UnitedHealthcare Medicare Advantage shall not make separate payment for DME, since the DME is already included in the payment that the SNF receives. Even if a beneficiary already rents or owns a piece of DME in their home, the SNF cannot require the beneficiary to bring their own rented or purchased DME with them into the SNF.

Coding information for SNF consolidated billing may be found on the CMS website under the SNF Consolidated Billing.

This information may be used to determine by procedure code whether services rendered to beneficiaries are included or excluded from consolidated billing. Services that are included in consolidated billing must be billed to the SNF for payment.

In accordance with CMS, POS code 31 should be used with services for beneficiaries in a Part A stay and POS code 32 should be used with services for beneficiaries in a Part B Stay.

#### NOTE:

- DMEPOS categories PO, OS, SD, and SU are subject to denial in a Place of Service 31
- DMEPOS categories CR, FS, IN, OX and TE are subject to denial in a Place of Service 31 or 32

### Definitions

Physician or Other Qualified Health Care Professional	Per the CPT book, a Physician or Other Qualified Health Care Professional is an individual who is qualified by education, training, licensure/regulation (when applicable), and facility privileging (when applicable) who performs a professional service within his/her scope of practice and independently reports that professional service.
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### Questions and Answers

1	<p><b>Q:</b> When are services included under consolidated billing?</p> <p><b>A:</b> When a beneficiary is in a Medicare Part A-approved SNF stay, the services are considered included under consolidated billing. In other words, services provided to a beneficiary whose nursing home stay is being covered by Medicare would be included under consolidated billing.</p>
2	<p><b>Q:</b> What does excluded services mean?</p> <p><b>A:</b> When a service is identified under SNF consolidated billing, it has to be billed by the SNF itself. When a service is excluded from consolidated billing, it means that the service can be billed separately to Medicare by a Physician or Other Qualified Health Care Professional who performed the service.</p>

## Codes

[DMEPOS Fee Schedule](#)

[SNF Consolidated Billing Files](#)

## Resources

[www.cms.gov](http://www.cms.gov)

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

CMS DMEPOS Fee Schedule

## History

05/27/2020	<p>Policy Version Change</p> <ul style="list-style-type: none"> <li>○ Removed reference to covered and non covered language regarding POS 31 and POS 32 for SNF Consolidated Billing Guidelines.</li> <li>○ Policy number changed from 2019R9002A to 2020R9002B</li> </ul>
3/1/2019	<p>Annual Anniversary Date and Version Change</p> <ul style="list-style-type: none"> <li>○ Language updated related reimbursement guidelines regarding Category Code PO and POS 31 and POS 32</li> <li>○ History Section: Entries prior to 2/1/2017 archived</li> <li>○ Title section: Removed Annual Approval information &amp; moved policy # to the header</li> </ul>
11/1/2018	<p>Policy Version Change</p> <ul style="list-style-type: none"> <li>○ Language update in the overview and reimbursement section</li> <li>○ Added DMEPOS Fee Schedule and SNF Consolidated Billing link</li> <li>○ Added Q&amp;As</li> <li>○ Updated Definition Section</li> <li>○ History Section: Entries prior to 5/1/2016 archived</li> </ul>
8/31/2018	<p>Policy Version Change</p> <p>Policy number changed from 2016R9002A to 2018R9002B</p> <p>Added the word 'Professional' to the policy title</p>
3/14/2018	<p>Policy Approval Date Change (Version Change)</p> <p>Added DMEPOS Fee Schedule Link in code section</p> <p>Updated Preamble</p>
1/19/2018	<p>Annual Policy Version Change</p>
3/8/2017	<p>Policy Approval Date Change (no new version)</p>
1/23/2013	<p>Policy Approved</p>