

Durable Medical Equipment, Orthotics and Prosthetics Policy (CES)

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[➔ Instructions for Use](#)

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Related Policies

- Refer to the [Overview](#) and [Reimbursement Guidelines](#) sections of the policy

Applicable Lines of Business/Products

This policy applies to Oxford Commercial plan membership.

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 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.

Overview

This policy describes how Oxford 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 *Maximum Frequency Per Day (CES)* policy for additional information pertaining to reimbursement for 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 [Applicable Codes](#) 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 [Applicable Codes](#) 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 an 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, KH, KI, KJ and KR

Purchase Modifiers

The following modifiers indicate that an item has been purchased: NU, UE, NR, KM and KN

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 (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, Oxford 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 (Requirements specified in the medical policy have been met), appended to HCPCS codes E0465 and 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, Oxford 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 & Answers](#) and [Applicable Codes](#) sections.

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, ending on 4/9. 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

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

HCPCS codes E0935 and E0936 are reimbursed on a daily basis consistent with CMS guidelines.

The following HCPCS codes are also reimbursed on a daily basis: E0193, E0194, E0277, E0304, E0371, E0372, E0373, E1639 and E2402

Maintenance and Service Fees

Oxford 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 agreements include 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.

HCPGS 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, Oxford will not separately reimburse the following codes: A9900, A9901 or L9900

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 Oxford's *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: 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 (TIN).

Applicable Codes

The following list(s) of procedure and/or diagnosis codes is provided for reference purposes only and may not be all inclusive. Listing of a code in this policy does not imply that the service described by the code is a covered or non-covered health service. Benefit coverage for health services is determined by the member specific benefit plan document and applicable laws that may

require coverage for a specific service. The inclusion of a code does not imply any right to reimbursement or guarantee claim payment. Other Policies may apply.

HCPCS Codes										
Codes with “Each” in Description										
Codes indicating that more than one device or service may be reported										
E0111	E0113	E0116	E0117	E0153	E0154	E0157	E0159	E0175	E0951	E0952
E0953	E0954	E0956	E0957	E0959	E0961	E0967	E0971	E0973	E0974	E0990
E0994	E0995	E1009	E1015	E1016	E1017	E1018	E2205	E2206	E2207	E2209
E2211	E2212	E2213	E2214	E2215	E2216	E2217	E2218	E2219	E2220	E2221
E2222	E2224	E2225	E2226	E2227	E2228	E2358	E2359	E2361	E2363	E2365
E2371	E2381	E2382	E2383	E2384	E2385	E2386	E2387	E2388	E2389	E2390
E2391	E2392	E2394	E2395	E2396	E2619	K0015	K0017	K0018	K0019	K0037
K0038	K0039	K0040	K0041	K0042	K0043	K0044	K0045	K0046	K0047	K0051
K0052	K0053	K0065	K0069	K0070	K0071	K0072	K0073	K0077	K0605	K0672
K0733										
Codes with “Flexion/Extension” or “Pronation/Supination” in Description										
Codes indicating that more than one device or service may be reported										
E1800	E1801	E1802	E1805	E1806	E1810	E1811	E1812	E1815	E1816	E1818
E1820	E1825	E1830	E1831	E1840	L0635	L0636	L1843	L1844	L1845	L1846
L1851	L1852	L2425	L2622	L2624	L3730	L3900	L3901	L3925	L3927	L5845
L5848	L5850	L5859	L5961	L5973	L6620	L6621	L6624	L6645	L6646	
DME Items Eligible for Rental Only										
Codes representing items that may be eligible for rental only and that must be reported with an appropriate rental modifier										
E0424	E0431	E0433	E0434	E0439	E1392	K0738				
DME Items Eligible for Rental or Purchase										
Codes representing items that may be eligible for rental or purchase and that must be reported with an appropriate rental or purchase modifier										
A4233	A4234	A4235	A4236	A4253	A4602	A4604	A4605	A4611	A4612	A4613
A4618	A4619	A4624	A4628	A4630	A4633	A4635	A4636	A4637	A4639	A4640
A7000	A7001	A7002	A7003	A7004	A7005	A7006	A7007	A7008	A7009	A7010
A7012	A7013	A7014	A7015	A7016	A7017	A7020	A7025	A7026	A7027	A7028
A7029	A7030	A7031	A7032	A7033	A7034	A7035	A7036	A7037	A7038	A7039
A7044	A7045	A7046	A7047	A8000	A8001	B9002	B9004	B9006	E0100	E0105
E0110	E0111	E0112	E0113	E0114	E0116	E0117	E0118	E0130	E0135	E0140
E0141	E0143	E0144	E0147	E0148	E0149	E0153	E0154	E0155	E0156	E0157
E0158	E0159	E0160	E0161	E0162	E0163	E0165	E0167	E0168	E0170	E0171
E0175	E0181	E0182	E0184	E0185	E0186	E0187	E0188	E0189	E0191	E0193
E0194	E0196	E0197	E0198	E0199	E0200	E0202	E0205	E0210	E0215	E0217
E0218	E0221	E0225	E0235	E0236	E0239	E0247	E0249	E0250	E0251	E0255
E0256	E0260	E0261	E0265	E0266	E0271	E0272	E0273	E0274	E0275	E0276
E0277	E0280	E0290	E0291	E0292	E0293	E0294	E0295	E0296	E0297	E0300
E0301	E0302	E0303	E0304	E0305	E0310	E0316	E0325	E0326	E0371	E0372
E0373	E0425	E0430	E0431	E0433	E0434	E0435	E0439	E0440	E0445	E0457

HCPCS Codes

DME Items Eligible for Rental or Purchase

Codes representing items that may be eligible for rental or purchase and that must be reported with an appropriate rental or purchase modifier

E0459	E0462	E0465	E0466	E0467	E0470	E0471	E0472	E0480	E0481	E0482
E0483	E0484	E0500	E0550	E0555	E0560	E0561	E0562	E0565	E0570	E0572
E0574	E0575	E0580	E0585	E0600	E0601	E0602	E0603	E0604	E0605	E0606
E0607	E0610	E0615	E0617	E0618	E0619	E0620	E0621	E0627	E0629	E0630
E0635	E0636	E0637	E0638	E0639	E0640	E0650	E0651	E0652	E0655	E0656
E0657	E0660	E0665	E0666	E0667	E0668	E0669	E0670	E0671	E0672	E0673
E0675	E0691	E0692	E0693	E0694	E0705	E0720	E0730	E0731	E0740	E0744
E0745	E0747	E0748	E0749	E0760	E0762	E0764	E0765	E0766	E0776	E0779
E0780	E0781	E0782	E0783	E0784	E0786	E0791	E0840	E0849	E0850	E0855
E0856	E0860	E0870	E0880	E0890	E0900	E0910	E0911	E0912	E0920	E0930
E0935	E0940	E0941	E0942	E0944	E0945	E0946	E0947	E0948	E0950	E0951
E0952	E0953	E0954	E0955	E0956	E0957	E0958	E0959	E0960	E0961	E0966
E0967	E0968	E0969	E0970	E0971	E0973	E0974	E0978	E0980	E0981	E0982
E0983	E0984	E0985	E0986	E0988	E0990	E0992	E0994	E0995	E1002	E1003
E1004	E1005	E1006	E1007	E1008	E1010	E1012	E1014	E1015	E1016	E1020
E1028	E1029	E1030	E1031	E1035	E1036	E1037	E1038	E1039	E1050	E1060
E1070	E1083	E1084	E1085	E1086	E1087	E1088	E1089	E1090	E1092	E1093
E1100	E1110	E1130	E1140	E1150	E1160	E1161	E1170	E1171	E1172	E1180
E1190	E1195	E1200	E1221	E1222	E1223	E1224	E1225	E1226	E1227	E1228
E1230	E1232	E1233	E1234	E1235	E1236	E1237	E1238	E1240	E1250	E1260
E1270	E1280	E1285	E1290	E1295	E1296	E1297	E1298	E1310	E1353	E1355
E1372	E1390	E1391	E1405	E1406	E1700	E1800	E1801	E1802	E1805	E1806
E1810	E1811	E1812	E1815	E1816	E1818	E1820	E1821	E1825	E1830	E1831
E1840	E1841	E2000	E2100	E2101	E2120	E2201	E2202	E2203	E2204	E2205
E2206	E2207	E2208	E2209	E2210	E2211	E2212	E2213	E2214	E2215	E2216
E2217	E2218	E2219	E2220	E2221	E2222	E2224	E2225	E2226	E2227	E2228
E2231	E2310	E2311	E2312	E2313	E2321	E2322	E2323	E2324	E2325	E2326
E2327	E2328	E2329	E2330	E2340	E2341	E2342	E2343	E2351	E2359	E2360
E2361	E2362	E2363	E2364	E2365	E2366	E2367	E2368	E2369	E2370	E2371
E2373	E2374	E2375	E2376	E2377	E2378	E2381	E2382	E2383	E2384	E2385
E2386	E2387	E2388	E2389	E2390	E2391	E2392	E2394	E2395	E2396	E2397
E2402	E2500	E2502	E2504	E2506	E2508	E2510	E2601	E2602	E2603	E2604
E2605	E2606	E2607	E2608	E2611	E2612	E2613	E2614	E2615	E2616	E2619
E2620	E2621	E2622	E2623	E2624	E2625	E2626	E2627	E2628	E2629	E2630
E2631	E2632	E2633	K0001	K0002	K0003	K0004	K0005	K0006	K0007	K0009
K0010	K0011	K0012	K0015	K0017	K0018	K0019	K0020	K0037	K0038	K0039
K0040	K0041	K0042	K0043	K0044	K0045	K0046	K0047	K0050	K0051	K0052
K0053	K0056	K0065	K0069	K0070	K0071	K0072	K0073	K0077	K0098	K0105
K0195	K0455	K0554	K0601	K0602	K0603	K0604	K0605	K0606	K0607	K0608

HCPCS Codes

DME Items Eligible for Rental or Purchase

Codes representing items that may be eligible for rental or purchase and that must be reported with an appropriate rental or purchase modifier

K0730	K0733	K0738	K0800	K0801	K0802	K0806	K0807	K0808	K0813	K0814
K0815	K0816	K0820	K0821	K0822	K0823	K0824	K0825	K0826	K0827	K0828
K0829	K0830	K0831	K0835	K0836	K0837	K0838	K0839	K0840	K0841	K0842
K0843	K0848	K0849	K0850	K0851	K0852	K0853	K0854	K0855	K0856	K0857
K0858	K0859	K0860	K0861	K0862	K0863	K0864				

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Questions and Answers

1	Q:	Why is a rental month defined as a calendar month when months vary as to their number of days?
	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.
2	Q:	How should monthly rental of DME items be reported?
	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.
3	Q:	Why does Oxford pay a full Calendar Month rental rate when modifier KR is used, which indicates the item is only rented for a partial Calendar Month?
	A:	Regardless of whether the item is used for a full Calendar Month or only a few days within a Calendar Month, Oxford allows reimbursement only once per calendar month to the Same Specialty Physician or Other Health Care Professional. For example, E0202 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, Oxford pays a single monthly rate and does not prorate the services to allow a daily rate. The exceptions to the above are the items listed in the section titled Daily Rental .
4	Q:	How should a vendor report devices that has been provided for extension and flexion on both sides of the body, e.g., code E1800?
	A:	Because two devices are needed for each side of the body, it is appropriate to report this as E1800-RR-RT with two units for the right side, and E1800-RR-LT with two units for the left side.
5	Q:	Are repair codes K0739, K0740, or K0462 reimbursed during the rental period for Durable Medical Equipment?
	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).

References

The foregoing Oxford policy has been adapted from an existing UnitedHealthcare national policy that was researched, developed and approved by UnitedHealthcare Payment Policy Oversight Committee. [2020R0109B]

Centers for Medicare and Medicaid Services, CMS Manual System and other CMS publications and services.
 CGS Administrators, CMS DME MAC Contractor Local Coverage Determinations (LCD)
 Noridian Healthcare Solutions, CMS DME MAC Contractor Local Coverage Determinations (LCD)
 UnitedHealthcare/Oxford Durable Medical Equipment Services All Payer Appendix.

Policy History/Revision Information

Date	Summary of Changes
05/01/2021	Template Update <ul style="list-style-type: none"> Reformatted and reorganized policy; transferred content to new template
04/19/2021	Applicable Codes <ul style="list-style-type: none"> Updated list of applicable HCPCS codes for <i>DME Items Eligible for Rental or Purchase</i> to reflect quarterly edits; added A4233, A4234, A4235, A4236, A4253, A4619, A7000, A7003, A7004, A7005, A7006, A7007, A7010, A7012, A7013, A7014, A7015, A7027, A7028, A7029, A7030, A7031, A7032, A7033, A7034, A7035, A7036, A7037, A7038, A7039, A7044, A7046, E0425, E0430, E0431, E0433, E0434, E0435, E0439, E0440, E0731, E0780, K0601, K0602, K0603, K0604, K0605, and K0738 Supporting Information <ul style="list-style-type: none"> Archived previous policy version ADMINISTRATIVE 237.24C T0

Instructions for Use

The services described in Oxford policies are subject to the terms, conditions and limitations of the member's contract or certificate. Unless otherwise stated, Oxford policies do not apply to Medicare Advantage members. Oxford reserves the right, in its sole discretion, to modify policies as necessary without prior written notice unless otherwise required by Oxford's administrative procedures or applicable state law. The term Oxford includes Oxford Health Plans, LLC and all of its subsidiaries as appropriate for these policies.

Certain policies may not be applicable to Self-Funded members and certain insured products. Refer to the member specific benefit plan document or Certificate of Coverage to determine whether coverage is provided or if there are any exclusions or benefit limitations applicable to any of these policies. If there is a difference between any policy and the member specific benefit plan document or Certificate of Coverage, the member specific benefit plan document or Certificate of Coverage will govern.

UnitedHealthcare may also use tools developed by third parties, such as the InterQual[®] criteria, to assist us in administering health benefits. The InterQual[®] criteria are intended to be used in connection with the independent professional medical judgment of a qualified health care provider and do not constitute the practice of medicine or medical advice.