

PROTOCOLS FOR DURABLE MEDICAL EQUIPMENT (DME)

DME providers will be responsible for first determining the eligibility of members to receive services, for meeting the elements of and documenting services as indicated below, and in order to receive payment, for submitting claim forms to CenCal Health.

Type of Durable Medical Equipment (DME) Services Provided

Services provided by DME providers, acting within the scope of their practice as authorized by California law, are covered for Santa Barbara Health Initiative (SBHI), San Luis Obispo Health Initiative (SLOHI), Healthy Families (HF), Healthy Kids (HK), Prenatal PLUS 2 (PP2), and In-home Supportive Services (IHSS) members.

“Durable Medical Equipment” is equipment prescribed by a licensed physician to meet medical equipment needs of the member that:

- Can withstand repeated use;
- Is used to serve a medical purpose;
- Is not useful to an individual in the absence of an illness, injury, functional impairment, or congenital anomaly; and
- Is appropriate for use in or out of the member’s home

Eligibility

DME providers must confirm that the member presenting in his/her office is eligible for services under CenCal Health and is assigned to the referring PCP for the month in which he/she is to render services. This can be accomplished by verifying eligibility through one of CenCal Health’s systems. Information regarding eligibility is in the Member Services Section of this Provider Manual.

In the event the member is not eligible under the program(s) administered by CenCal Health, payment for any services provided to the member will not be the responsibility of CenCal Health.

DME Benefit

DME as prescribed includes, but is not limited to, the purchase or rental of equipment such as ambulatory items, wheelchairs, oxygen and related respiratory equipment, hospital beds and accessories, bathroom safety equipment, and home monitoring equipment for diabetes, asthma and high blood pressure management. In addition, Medically Necessary repairs and replacement of DME as authorized unless necessitated by misuse or loss.

Limitations of DME

For custom made manual wheelchairs and power operated wheelchairs/scooters, a “wheelchair and living environment evaluation” must be performed by a person with one or more of the following certifications:

- RESNA certified ATS, ATP, or RET
- Registered with NRRTS or RTS

- Licensed Occupational or Physical Therapist with continuing education in Rehabilitation Technology
- Documented rehabilitation equipment training through a recognized wheelchair manufacturing company

A certified technician may be employed by the DME provider; however, CenCal Health has contracted with specific certified evaluators to perform these evaluations in the provider's area.

Non-Covered Charges of DME

- Home monitoring equipment except for those provided under the diabetes management program, or to treat asthma and/or high blood pressure.
- DME provided by a non-participating Provider; customization of living environment or motor vehicles; experimental equipment; items that duplicate the function of other equipment; and other convenience items not generally used primarily for medical care. Examples include, but are not limited to, exercise equipment, air conditioners or heaters, lighting devices, orthopedic mattresses, recliners, seat lift chairs, elevators, waterbeds, household and furniture items.

Maximum Rental

Except for life support equipment, such as ventilators, when previously paid rental charges equal the purchase price of the rented item, the item is considered to have been purchased and no further reimbursement to the Provider shall be made unless repair or maintenance of the item is separately authorized.

Documentation of Services

DME providers shall document services by completing a claim form and submitting the form to CenCal Health. DME providers shall also provide documentation to the member's PCP.

Authorizations

DME providers are required to obtain a referral for certain services prior to providing services in the form of a **prescription (Rx)** from the member's PCP. Prescription (Rx) forms are available through CenCal Health or the Medi-Cal website, www.medi-cal.ca.gov.

Additional authorization for DME products

- Prior Authorization, in the form of a **Treatment Authorization Request (TAR)** for SBHI and SLOHI, or an **Authorization Request (AR)** for HF, HK, PP2 and IHSS, is required for the purchase, repair or maintenance, or cumulative rental of DME subject to the conditions, restrictions and exceptions as specified below:
 - **Purchases** exceeding \$100.00 (cumulative within a calendar month)
 - **Rentals** exceeding \$50.00 (cumulative with a 15-month period)
 - **Repairs or maintenance** exceeding \$250.00 (cumulative within a calendar month)
 - Purchase, rental or repair of **any miscellaneous item** over \$50.00

- Prior Authorization is also required for the provision of oxygen when more than 500 cubic feet is provided during one calendar month.
- Purchase, rental, repair or maintenance of unlisted devices or equipment may require Authorization as set forth in CenCal Health regulations.
- Authorization shall not be granted for DME when a household item will adequately serve the member's medical needs.
- Authorization for DME shall be limited to the lowest cost item that meets the member's medical needs.
- Authorization for DME for transitional inpatient care members, skilled nursing facility or intermediate care facility inpatients may be approved if it meets applicable regulatory provisions.

Billing for Covered Services

DME providers bill CenCal Health, using provider's Medi-Cal provider number for SBHI and SLOHI or the Tax Identification Number for HF, HK, PP2 and IHSS, for the DME services he/she has provided to the eligible member. In the event the member has other coverage, or third-party liability is involved, the DME provider shall follow the terms and conditions of his/her Agreement with CenCal Health, or as indicated in "Other Health Coverage" in the Claims Section of this Provider Manual.

DME providers may bill for services as follows:

- Providers shall bill for services using industry standard procedure codes, as established in the most recently published Healthcare Common Procedural Coding System ("HCPCS") codes, for Durable Medical Equipment (DME) and Medical Supplies as may be indicated below and/or in the Provider Manual.
- Each DME claim line item must be indicated as a purchase, rental or repair by the entry of a modifier following the procedure code, using modifier NU, modifier RR and modifier RP, for purchase, rental and repair respectively. The HCPCS modifier on the TAR/AR (if used) must match that on the Claim.
- A written prescription is required for all DME rental and purchases. The prescription should be maintained in the DME Provider's files rather than be attached to the Claim, unless otherwise instructed by Authority.
- Repair (labor expenses and replacement parts) of DME must be billed using HCPCS code E1340 with the RP modifier. For labor expenses, one unit of labor equals 15 minutes.

Co-payments

No co-payments for DME are required for the following programs: SBHI, SLOHI, HF, HK, or PP2; however, the IHSS program requires co-payments in the form of co-insurance. Co-payments for DME services for IHSS members may be collected at the time the service is rendered, however, if the co-payment is a co-insurance, the DME provider may wish to bill CenCal Health first and then bill the member after the insurance payment is received.

Co-insurance for IHSS members:

40% Co-insurance - DME as prescribed, includes but is not limited to, the purchase or rental of equipment such as ambulatory items, wheelchairs, oxygen and related respiratory equipment, hospital beds and accessories, bathroom safety equipment, and home monitoring equipment for diabetes, asthma and high blood pressure management.

50% Coinsurance - Medically necessary repairs and replacement of DME as authorized unless necessitated by misuse or loss.

Reimbursement for DME Covered Services

Provider shall be reimbursed by Authority for Covered Services rendered to members as indicated in the Exhibit A of provider's Allied Amendment Agreement.