Medica Coverage Policy

Policy Name: Durable Medical Equipment (DME)
Effective Date: 7/16/2018

Important Information - Please Read Before Using This Policy

These services may or may not be covered by all Medica plans. Please refer to the member’s plan document for specific coverage information. If there is a difference between this general information and the member’s plan document, the member’s plan document will be used to determine coverage. With respect to Medicare and Minnesota Health Care Programs, this policy will apply unless those programs require different coverage. Members may contact Medica Customer Service at the phone number listed on their member identification card to discuss their benefits more specifically. Providers with questions about this Medica coverage policy may call the Medica Provider Service Center toll-free at 1-800-458-5512.

Medica coverage policies are not medical advice. Members should consult with appropriate health care providers to obtain needed medical advice, care and treatment.

Description

Durable Medical Equipment (DME) is medical equipment prescribed by a physician that meets each of the following requirements.

1. Is prescribed for a defined medical purpose
2. Is determined by Medica to be reasonable and necessary
3. Is not generally useful in the absence of illness or injury
4. Has the ability to withstand repeated use
5. Is appropriate for use in the home setting
6. Represents the most cost-effective care alternative (e.g., assists in preventing a higher level of care, as in home care versus skilled nursing facility or inpatient admission)

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In general, the following devices and/or services are COVERED as determined by Medica and according to the terms of the member’s plan document. This list is not all-inclusive.

1. Rental charges for equipment that can be rented for a cost less than the purchase price of the equipment.
2. Purchase of equipment when purchase price is less expensive than the rental fees for the expected duration of use or when rental of equipment is unavailable.
3. Medical and certain other related supplies necessary to make the primary device medically effective or operational provided the DME device is a covered item.
4. Maintenance and repairs of purchased DME equipment, unless a manufacturer’s warranty/purchase agreement is in effect. This is appropriate when the repair and/or maintenance is more cost-effective than replacement.
5. Rental of medically necessary equipment while the member’s owned equipment is being repaired. Note: If the item is being rented, the provider will provide a replacement during the repair without cost for additional rental. Medica will cover the repair costs per the provider agreement.
6. Replacement of a DME device due to normal wear and use or when a written physician’s statement documents a change in the member’s medical condition warranting a different type of covered DME device.

Medica covers only a limited selection and, in some cases, quantity of DME and certain related supplies that meet the criteria established by Medica.
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A provider must have proof of a written prescription and receipt of pertinent parts of the member’s medical record. This documentation must be made available to Medica upon request. In general, the following devices and/or services are NOT COVERED according to the terms of the member’s plan document. This list is not all-inclusive. Member benefits may vary.

1. Replacement or repair of any covered item that is damaged and/or destroyed by member carelessness, misuse, abuse, loss or theft.
2. Duplicate or similar durable medical equipment, prosthetics and hearing aids, including repair, replacement or revision of duplicate items.
3. Items which are primarily educational in nature, such as books and laptops.
4. Items which are primarily recreational in nature, such as swimming pools or saunas.
5. Items which are primarily used for comfort and convenience, such as air conditioners, humidifiers, remodeling or modifications to home or vehicle.
6. Disposable supplies unless specifically listed as covered in the member's plan document
7. Communication aids or devices.
8. Professional fees, delivery charges, taxes, and other associated costs directly related to dispensing or customizing the device. These are considered part of the total eligible expense and not reimbursable in addition to the device expense.
9. If the DME or prosthetic device is covered by Medica, but the model selected is not considered a standard model, the member will be responsible for the cost difference.
10. DME purchases from online retailers.

The following lists are subject to change without notice. Consult www.medica.com / Providers / Medical Policies for a complete listing of Medica’s Coverage and Utilization Management Policies.

Medica has the following Coverage Policies related to DME. Please refer to the individual policy for specifics on coverage information:

1. Blood Coagulation Home Testing Devices
2. CLEAR Institute Scoliosis Treatment Protocols
3. Continuous Glucose Monitoring (CGM) Systems for Managing Diabetes
4. Home Use of Bilevel Positive Airway Pressure (BiPAP) for Conditions Other Than Obstructive Sleep Apnea (OSA)
5. Home Use of Continuous Positive Airway Pressure (CPAP) and Bilevel Positive Airway Pressure (BiPAP) for Obstructive Sleep Apnea (OSA)
6. Interferential Current Stimulation
7. Lower Limb Functional Electrical Stimulation Rehabilitation Therapy
8. LTX 3000™ (Spinal Unloading Device for Treatment of Low Back Pain)
9. Meniett™ Portable Pulse Generator for Treatment of Menier's Disease
10. Orthotrac™ Pneumatic Vest (Spinal Unloading Device for Low Back Pain)
11. Powered Robotic Lower-Limb Exoskeleton Devices
12. Subcutaneous Implantable Cardioverter-Defibrillator (S-ICD)
13. Transcutaneous Electrical Joint Stimulation Devices

Medica also has the following Utilization Management Policies related to DME:

1. Bone Growth Stimulators (III-DEV.07)
2. Electric Tumor Treatment Fields
3. Microprocessor Controlled Knee Prostheses, with or without Polycentric, Three-Dimensional Endoskeletal Hip Joint System (III-DEV.17)
4. High Frequency Chest Wall Compression (HFCWC) Devices (III-DEV.20)
5. Wheelchairs, Scooters and Accessories (III-DEV.25)
Prior Authorization

Prior authorization is required for equipment outlined in the above Utilization Management Policies. Additionally, services with specific coverage criteria may be reviewed retrospectively to determine if criteria are being met. Retrospective denial may result if criteria are not met.

Definitions:

Maintenance and Service
Providers agree to adhere to Joint Commission on Accreditation of Healthcare Organizations (JCAHO) standards regarding maintenance and service of all rental equipment. Payment for the maintenance and service of capped rental equipment will be made to provider by Medica once each 6-month period. Costs for labor and parts for repair of owned equipment will be made according to the terms set forth in the contractual agreement.

Provider
A DME provider/vendor, health care professional or facility licensed, certified, or otherwise qualified under state law to provide health services or supplies/equipment. Equipment purchased from internet based retailers will not be covered by the health plan.

Reasonable Use
Reasonable use is determined and prescribed by the physician or as determined by Medica.

Rental/Purchase
DME can typically be rented or purchased. Certain DME items, especially those of low cost or requiring customization, can only be purchased. Depending on the device, for a rented item Medica has determined a set timeframe when the rental payments are “capped” and no further payments will be made. If an item is rented to cap, the provider has the right to charge a maintenance fee every six months (see Maintenance and Service). There will be member liability for these maintenance services and it is expected that if providers have items that rent to cap and plan to charge maintenance, members are informed in writing and sign documentation stating their agreement and acknowledgement of liability as applicable to member contract. In the event Medica elects to purchase equipment currently being rented for a member, provider will apply any and all rental payments already made toward the cost of the purchase of the equipment. If, however, Medica elects to purchase equipment currently being rented and requests that such equipment be replaced with new equipment at the time of purchase, provider will apply rental payments already made, to a maximum of 2 months rental payments, toward the cost of the purchase of the equipment. Medica may at any time elect to purchase equipment being rented for a member.

Standard Model
If a model you choose is not Medica’s standard model, you will be responsible for the cost difference. A standard model is defined as durable medical equipment that meets the minimum specifications prescribed for member needs.

Coding Considerations
DME is to be submitted with the Healthcare Common Procedure Code (HCPC) specific to the actual item being dispensed. If specific code(s) are not available an appropriate unlisted code with detailed description should be submitted. Medica reserves the right to obtain additional information on specific DME when the submitted HCPC code(s) is (are) general in nature/non-specific.
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Original Policy Effective Date: 10/1/2013
Re-Review Date(s): 2/15/2017,
6/07/2018
4/10/2019

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