



Subject: *Durable Medical Equipment*

Number: *200311-0004*

Effective date: 11/24/2003

Revision date(s): 06/1998; 11/18/2003

Important note

Even though this policy may indicate that a particular service or supply is considered covered, this conclusion is not based upon the terms of your particular benefit plan. Each benefit plan contains its own specific provisions for coverage and exclusions. Not all benefits that are determined to be medically necessary will be covered benefits under the terms of your benefit plan. You need to consult the *Evidence of Coverage* to determine if there are any exclusions or other benefit limitations applicable to this service or supply. If there is a discrepancy between this policy and your plan of benefits, the provisions of your benefits plan will govern. However, applicable state mandates will take precedence with respect to fully insured plans and self-funded non-ERISA (e.g., government, school boards, church) plans. Unless otherwise specifically excluded, federal mandates will apply to all plans. With respect to Medicare and Medicaid members, this policy will apply unless Medicare and Medicaid policies extend coverage beyond this Medical Policy and Criteria Statement. Medicare and Medicaid policies will only apply to benefits paid for under Medicare or Medicaid rules, and not to any other health benefit plan benefits. The Centers for Medicare and Medicaid's *Coverage Issues Manual* can be found on the following Web site: <http://www.cms.hhs.gov/manuals/pub06pdf/pub06pdf.asp>

Overview

Durable medical equipment (DME) is any equipment that provides therapeutic benefits to a patient in need due to certain medical conditions and/or illness. DME consists of items, usually "equipment," that patients use at home. The phrase home medical equipment (HME) is used interchangeably with DME and is more representative of the products supplied. Examples of DME/HME include walkers, wheelchairs, crutches and hospital beds.

Policy and criteria

NOTE: These services require prior authorization by the plan.

DME/HME is eligible for purchase or rental when a plan physician and the plan have authorized it. To be authorized by the plan, the item must meet the criteria below.

When services are covered:

Important note: Only the Centers for Medicare & Medicaid Services (CMS) criteria are used in review of DME/HME for Fallon Senior Plan™ members.

We cover DME/HME items when **all** of the following criteria are met:

- The item meets all the requirements as per the definition of DME (see below).
- The item is determined to be medically necessary by
 - the criteria contained in the item-specific FCHP policy or protocol *or*
 - in the absence of a specific FCHP policy or protocol, the CMS criteria are used, as contained in the
 - *Home Medical Equipment Answer Book*® or
 - TriCenturion, LLC current Local Medical Review Policies (LMRPs) for Region A (www.tricenturion.com/content/lmrp_current_dyn.cfm)
- The item is not listed as an exclusion or noncovered item in the member's *Evidence of Coverage*.

The most current version of the *Home Medical Equipment Answer Book* licensed by FCHP and the information available on the TriCenturion Web site will be used as the reference for CMS criteria.

TriCenturion, LLC is a Program Safeguard Contractor (PSC) under contract with CMS to perform selected Medicare program integrity functions. Currently, TriCenturion has a PSC for Region A DMERC, which includes Massachusetts.

Definition – To qualify as *standard* DME, an item must be **all** of the following:

Durable. The item can withstand repeated use (e.g., could normally be rented); and used by successive patients.

Used at home. The patient must live in one of the following places:

1. a “private residence” where the patient receives care
2. the patient’s “dwelling” - a house or an apartment
3. a “relative’s home” if the patient lives there
4. a “place of residence used as a home”
5. a “home for the aged” or retirement home

Many institutions do not qualify as a “home.” For example, hospitals or skilled nursing facilities (SNF) do not qualify as “homes” in this context.

Medically useful. The item’s first use must be medical, something a healthy person would not ordinarily need, ordered by a physician and frequently requiring a prescription. DME is primarily and customarily used for a medical purpose and generally is not useful to a person in the absence of illness or injury.

Standard DME is not designed *or customized* for a specific individual’s use.

Precise rationale from the prescribing physician is required for consideration of coverage of DME items. When *nonstandard* DME items are requested, the member’s medical condition is considered in order to determine medical necessity. Additional information may be requested of the prescribing physician.

Nonstandard DME:

Nonstandard DME is any DME item that has certain convenience or additional features that make it more expensive than a standard item (i.e., one that will adequately meet the medical needs of the patient).

Coverage is limited to those DME items that adequately meet the patient’s medical needs. If special features, or nonstandard equipment, are determined to be medically necessary for the patient, coverage of the nonstandard item will be authorized.

Coverage for nonstandard DME will be consistent with what is *necessary* and *reasonable*. When a request is received for equipment containing features of an aesthetic nature, features of a medical nature that are not required by the patient’s condition, or where there exists a reasonably feasible and medically appropriate alternative pattern of care that is considered standard compared to the equipment furnished, then the standard category for the equipment, or alternative treatment that meets the patient’s medical needs, will be authorized.

Reasonableness - Although an item of DME may serve a useful medical purpose, it also must be considered to the extent it is reasonable for coverage. The following will be considered:

1. Would coverage of the nonstandard item be clearly disproportionate to the therapeutic benefits that could ordinarily be derived from the use of the standard alternative pattern of care?
2. Does the item serve essentially the same purpose as the standard equipment already available to the patient?

Covered services:

The rental or purchase of *standard* durable medical equipment is eligible for coverage if determined to be medically necessary and the equipment is used for medical purposes in the patient's home.

Medical supplies needed to make a piece of DME medically effective are eligible for coverage if the DME item is covered, even though the supplies themselves are not durable.

If the patient purchases or rents an item of DME having more nonstandard features than the patient's condition requires, coverage will be determined for the equipment that is medically necessary to adequately meet the patient's needs. The plan will cover only that equipment and features determined to be medically necessary.

Benefits may be available for necessary repairs and maintenance of *purchased* equipment, unless a manufacturer's warranty or a purchase agreement covers such repairs and maintenance. Benefits may be available for replacement of equipment when the replacement is more cost effective than repair.

When services are not covered:

We **do not cover** services when the above criteria are not met or for any procedures or devices not listed above.

We do not cover:

- A DME/HME item that does not meet criteria and is, therefore, determined to be not medically necessary.
- Equipment that is presumptively nonmedical in nature and used primarily and customarily for a nonmedical purpose, even though the item may have some remote medically related use, as it is not considered "medical equipment."
- Continued rental or purchase of a DME/HME item that is no longer needed or in use by the member it was originally authorized for.
- Repair, maintenance or replacement of *rental* equipment. The rental price includes expenses incurred by the vendor in maintaining equipment in working order.
- Repair or replacement of equipment damaged due to patient neglect or abuse or when another coverage source is available (such as homeowner's, rental, automobile, liability or other insurance).
- Any amount over the specific benefit limit stated in the member's *Evidence of Coverage*.

Note: Commercial plans typically have a specific, annual dollar amount limit to this benefit. Fallon Senior Plan™ has no annual limit to this benefit.

FCHP products to which this policy applies:

- ⊕ FCHP Direct and FCHP Select Care (HMO)
- ⊕ FCHP Flex Care Direct and Select (POS)
- ⊕ Fallon Preferred Care (PPO)
- ⊕ FCHP MassHealth
- ⊕ Non-Group: FCHP Independent Care, Direct enrollment and Bill-at-home

Medicare plan – *reminder* to refer to CMS for policy and criteria

Committee review dates:

Technology Assessment Committee: mm/yyyy

Utilization Management Committee: mm/yyyy

Approved by: Signature on file 11/20/2003
Dennis A. Batey, M.D. Vice President and
Chief Medical Officer Date