



Point32Health companies

## Payment Policy: Durable Medical Equipment (D

# Durable Medical Equipment (DME) and Medical Supplies

#### Applies to:

#### **Commercial Products**

- ☐ Harvard Pilgrim Health Care Commercial products
- □ Tufts Health Plan Commercial products

#### **Public Plans Products**

- ☑ Tufts Health Direct A Massachusetts Qualified Health Plan (QHP) (a commercial product)
- ☑ Tufts Health Together MassHealth MCO Plan and Accountable Care Partnership Plans
- □ Tufts Health RITogether A Rhode Island Medicaid Plan
- □ Tufts Health One Care A dual-eligible product

#### **Senior Products**

- ☑ Tufts Health Plan Senior Care Options (SCO) (a dual-eligible product)
- ☑ Tufts Medicare Preferred HMO/PPO (Medicare Advantage products)

## **Policy**

Tufts Health Plan covers medically necessary DME and medical supplies up to the benefit maximum<sup>1</sup>, in accordance with the member's benefits, CMS, MassHealth, and/or Rhode Island (RI) EOHHS guidelines, as applicable. Tufts Health Plan will determine whether it is appropriate to purchase or rent equipment for members.

Tufts Health Plan SCO and Tufts Health One Care provide coverage for all medically necessary DME and medical supplies covered by original Medicare and Medicaid (MassHealth).

#### Definition

DME is equipment that meets all of the following criteria:

- Can withstand repeated use
- Is primarily and customarily used to serve a medical purpose
- · Generally, is not useful to a person in the absence of an illness or injury
- Is appropriate for use in the home

Medical supplies are disposable or nonreusable items that generally do not contain the mechanical components commonly found in DME.

#### **General Benefit Information**

Services and subsequent payment are pursuant to the member's benefit plan document. Member eligibility and benefit specifics should be verified prior to initiating services by logging on to the secure Provider portal or by contacting Provider Services.

#### Continuous Glucose Monitors (CGMs) for Tufts Health Direct

All CGMs and accompanying supplies are available through the pharmacy only with a prescription under the pharmacy benefit.

## Referral/Prior Authorization/Notification Requirements

Certain DME items require prior authorization through Tufts Health Plan's Precertification Operations Department; DME related to sleep therapy may require prior authorization or notification through an approved vendor. Refer to the Sleep Studies and PAP

<sup>&</sup>lt;sup>1</sup> Authorized medical supplies, respiratory equipment/supplies (excluding PAP therapy, nebulizers and related supplies), insulin pumps and related diabetic supplies are not applied to the benefit maximum.

Therapy Payment Policy for more information.

The DME provider is responsible for obtaining the practitioner's order/prescription for any requested item(s). As a condition of payment, it is the responsibility of the **rendering** provider to obtain prior authorization or notification, as applicable. If notification is not obtained or approved, the claim will be denied. For more information, refer to the Referral, Prior Authorization and Notification Policy.

Refer to the <u>Prior Authorization Resources</u> page to identify specific items, services, and supplies that have prior authorization and/or notification requirements.

#### **Medical Supplies**

Required medical/dressing supplies can be obtained by the member from a Tufts Health Plan contracted DME provider with a provider order.

Home health agencies providing services to members may order medical supplies directly from a Tufts Health Plan contracting DME provider, who will then submit a claim to Tufts Health Plan. Tufts Health Plan requires provider documentation for medical supplies. A written, signed and dated order must be received by the supplier for an item to be covered.

#### **Oral Enteral Formula**

Members must obtain covered oral enteral formula through a contracting DME provider.

Oral enteral formula may require prior authorization for Commercial and Tufts Health Public Plans members. Refer to the oral formula medical necessity guidelines for Massachusetts and Rhode Island for additional information.

## **Billing Instructions**

Unless otherwise stated, Tufts Health Plan follows industry standard coding guidelines. Refer to current industry standard coding guidelines for a complete list of ICD, CPT/HCPCS, revenue codes, modifiers and their usage. Providers may only bill the procedure code(s) in accordance with the applicable financial exhibits of their provider agreements and applicable fee schedules. Submit multiple same-day services on one line; the number of services/units should reflect all services rendered

- Append modifier SQ to indicate item ordered by a home health provider
- When billing oral enteral formulas, submit the NDC number for the specific enteral formula product, product description, quantity, and modifier BO (orally administered nutrition, not by feeding tube), and the quantity on the claim

#### **Modifiers**

Tufts Health Plan requires all industry standard modifiers on DME, respiratory and medical supply claims. Claims submitted without complete and appropriate modifiers will be denied. Refer to the <a href="DME Medicare Administrative Contractor">DME Medicare Administrative Contractor</a> (MAC) for a list of modifiers appropriate for DME and medical supply claims.

#### **Capped Rental Modifiers**

Tufts Medicare Preferred, Tufts Health Plan SCO, Tufts Health Together

Effective for DOS beginning July 1, 2024, capped rental items billed without the appropriate rental modifiers (as outlined below) may be denied. Do **not** report only modifier RR throughout the rental period.

- KH (Initial claim, either rent [first month] or purchase)
- KI (rental months 2-3)
- KJ (rental months 4-13)

**Note:** When billing for new and used equipment purchases, providers must continue using the NU (new) and UE (used) modifiers as appropriate.

#### **Individual Consideration**

Tufts Health Direct, Tufts Health Together

DME and medical supplies designated as individual consideration (IC) or adjusted acquisition cost (AAC) are reimbursed with an invoice. Refer to the Individual Consideration Services Payment Policy for more information on claim submission.

## **Compensation/Reimbursement Information**

Providers are compensated according to the applicable contracted rates and applicable fee schedules.

Orders/prescriptions for DME items and supplies that exceed regulatory (e.g., CMS) or policy limits will not be compensated. Effective for dates of service beginning August 1, 2024, DME services billed in excess of the service limits specified by

MassHealth will be denied for Tufts Health Together members. Refer to MassHealth's <u>Payment and Coverage Guideline Tools</u> for more information about applicable limits.

Note: DME rental costs are reimbursed only up to the purchase cost.

Click here for a list of DME and medical supplies edits that may impact claims compensation.

## **Additional Resources**

## **Payment Policies**

- Individual Consideration Services
- Orthotics and Prosthetics
- Sleep Studies and PAP Therapy

## **Authorization Resources**

• Sleep Studies and PAP Therapy Prior Authorization Program

## **Document History**

- November 2024: Annual policy review; no changes
- June 2024: Clarified reimbursement limitations for certain DME items and supplies; added information about DME denials for Tufts Health Together members, effective for DOS beginning August 1, 2024
- May 2024: Added content for required capped rental modifiers, effective for DOS beginning July 1, 2024
- November 2023: Annual policy review; administrative edits
- November 2022: Annual policy review; no changes
- March 2021: Added link to the Quick Reference Guide: Tufts Health Public Plans Durable Medical Equipment Prior Authorization
- February 2021: Updated Resource Center link for Prior Authorization information for Commercial and Tufts Health Public Plans
- December 2020: Policy reviewed by committee; moved claim edits into separate document for clarity; clarified definitions for DME and medical supplies
- October 2020: Updated to include the following benefit information for Tufts Health Direct: lightbox coverage for SAD, effective for dates of service on or after November 1, 2020 and CGMs and accompanying supplies will be available through the pharmacy with a prescription under the pharmacy benefit, effective January 1, 2021
- March 2020: Removed frequency limitations for medical supplies
- June 2019: Removed speech generating devices edit, as it is no longer applicable
- April 2019: Removed frequency limitations for B4088, A4352, A4452, A4385, A4394, A4407, A4432, A4414, A4624, A5063, A5054
- February 2019: Clarified existing oral enteral formula coverage under the member's medical benefit

## **Background and Disclaimer Information**

This policy applies to the products of Harvard Pilgrim Health Care and Tufts Health Plan and their affiliates, as identified in the check boxes on the first page for services performed by contracted providers.

Payment is based on member benefits and eligibility on the date of service, medical necessity review, where applicable, and the provider's network participation agreement with the Plan. As every claim is unique, this policy is neither a guarantee of payment, nor a final indication of how specific claim(s) will be adjudicated. Claims payment is subject to member eligibility and benefits on the date of service, coordination of benefits, referral/authorization and utilization management requirements (when applicable), adherence to Plan policies and procedures, and claims editing logic. An authorization is not a guarantee of payment.

Point32Health reserves the right to amend a payment policy at its discretion. CPT and HCPCS codes are updated as applicable; please adhere to the most recent CPT and HCPCS coding guidelines.

We reserve the right to conduct audits on any provider and/or facility to ensure accuracy and compliance with the guidelines stated in this payment policy. If such an audit determines that a provider/facility did not comply with this payment policy, Harvard Pilgrim Health Care and Tufts Health Plan will expect the provider/facility to refund all payments related to noncompliance.