Policy:

**Durable Medical Equipment (DME)** are those items that are Food and Drug Administration (FDA) approved, can stand repeated use, are primarily and customarily used to serve a medical purpose, are not useful to a person in the absence of illness or injury, and can be used in the beneficiary's home. Examples are: hospital beds, wheelchairs, and ventilators. DME is a benefit for beneficiaries when:

1. It is medically and functionally necessary to meet the needs of the beneficiary.
2. It may prevent frequent hospitalization, institutionalization, or ER visits.
3. It is life-sustaining.

Consumable medical supplies are non-durable medical supplies that:

- Are usually disposable in nature;
- Cannot withstand repeated use by more than one individual;
- Are primarily and customarily used to serve a medical purpose;
- Generally are not useful to a person in the absence of illness or injury;
- May be ordered and/or prescribed by a physician.

**Medical Supplies** are those items that are required for medical management of the beneficiary, are disposable or have a limited life expectancy, and can be used in the beneficiary's home. Examples are: hypodermic syringes/needles, ostomy supplies, and dressings necessary for the medical management of the beneficiary. Medical supplies are items covered that:

1. Treat a medical condition.
2. Prevent unnecessary hospitalization or institutionalization.
3. Support Durable Medical Equipment (DME) used by the beneficiary in the home.

**Orthotics** assist in correcting or strengthening a congenital or acquired physical anomaly or malfunctioning portion of the body. Orthotics are a benefit to:
1. Improve and/or restore the beneficiary's functional level.
2. Prevent or reduce contractures.
3. Facilitate healing or prevent further injury.

**Prosthetics** artificially replace a portion of the body to prevent or correct a physical anomaly or malfunctioning portion of the body. Prosthetics are a benefit to:
1. Improve and/or restore the beneficiary's functional level.
2. Enable a beneficiary to ambulate or transfer

Determination of coverage is based upon the state’s Medicaid Providers Manual, as well as Medicare National Coverage Decisions (NCD) and Local Coverage Decisions (LCD) and the member’s benefit package. Additionally, the following must be kept in mind:
- Whether the item has been approved for marketing by the Food and Drug Administration (FDA) and is otherwise generally considered to be safe and effective for the purpose intended; and
- Whether the item is reasonable and necessary for the individual patient.
- Whether there is a lower-price FDA-approved device that can produce a similar benefit.

**Special Instructions:**

**Medicaid/Michigan:**

**A. Covered Equipment:** Please refer to the Michigan State Medicaid Provider Manual for the most up to date, specific items covered, indications for coverage, and any limitations on coverage at the following web address: [http://www.michigan.gov/mdch](http://www.michigan.gov/mdch) (Medical Supplier Section)

**B. Non-covered Equipment** **Note: both columns below list non-covered equipment**

<table>
<thead>
<tr>
<th>Adaptive Equipment (e.g. rocker knife, swivel spoon)</th>
<th>Air Conditioner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Purifier</td>
<td>Custom Seating for secondary and/or transport Chairs</td>
</tr>
<tr>
<td>Devices used for play, pre-mobility development, or exercise; Deny – Not considered pediatric mobility devices for the purpose of reimbursement and are not covered (e.g. jet mobile ready racer, creepster crawler).</td>
<td>Enteral formula to accommodate psychological /behavioral conditions, food preferences, allergies, loss of appetite, or noncompliance.</td>
</tr>
<tr>
<td>Environmental Control Units</td>
<td>Equipment not used or improperly used by beneficiary</td>
</tr>
<tr>
<td>Equipment for social or recreational purposes</td>
<td>Exam/Massage Tables</td>
</tr>
<tr>
<td>Footplates, Padded</td>
<td>Exercise Equipment (e.g.tricles, exercise bikes, weights, mats, etc)</td>
</tr>
<tr>
<td>Generators</td>
<td>Hand/Body Wash</td>
</tr>
<tr>
<td>Heating Pads</td>
<td>Home Modifications (including wheelchair lifts/ramps, etc.)</td>
</tr>
<tr>
<td>Items used solely for the purpose of restraining a beneficiary for behavioral or other reasons</td>
<td>Humidifiers (house/room) Items for a beneficiary who is non-compliant with their physician’s plan of care or items ordered primarily due to patient non-compliance (i.e. insulin pump, etc.)</td>
</tr>
<tr>
<td>Ice Packs, Hot Tubs</td>
<td>Lift Chairs, Reclining Chairs, Vibrating Chairs</td>
</tr>
<tr>
<td>New Equipment when current equipment can be modified to accommodate growth</td>
<td>Nutritional formula representing only a liquid form of food</td>
</tr>
<tr>
<td>Nutritional Pudding/Bars</td>
<td>Peri-Wash</td>
</tr>
<tr>
<td>Portable Oxygen, when O2 is ordered for night only</td>
<td>Pressure gradient garments for maternity related edema</td>
</tr>
<tr>
<td>Prosthetic appliances for a beneficiary with potential functional level of K0</td>
<td>Power Tilt-in-space or reclining wheelchairs for a long-term care resident solely because limited staffing is available</td>
</tr>
</tbody>
</table>
Regular or Diabetic Foods (e.g. Slim fast, Carnation Instant Breakfast, etc.) | School Items (e.g. computers, writing aids, book holders etc.)
---|---
Second units for school use | Shoes, beyond one pair on the same date of service
Shoe Inserts, Over the Counter | Sensory Devices (e.g., games, toys, etc.)
Sports Drinks/Juices | Stair Lifts
Standard Infant/Toddler Formula | Toothettes
Therapy Modalities (Bolsters, physio-rolls, therapy balls, jett mobile, etc.) | Transcutaneous Nerve Stimulator when prescribed for headaches, visceral abdominal, pelvic or temporomandibular (TMJ) pain
Ultrasonic osteogenesis Stimulators | Ultraviolet (UV) lighting for Seasonal Affective Disorder
Vacu-brush Toothbrushes | Weight loss or “light/lite” products
Wheelchair accessories (e.g. horns, lights, bags, special colors, etc.) | Wheelchair, second or additional for beneficiary convenience/preference
Wheelchair lifts or ramps for home or vehicle (all types) | Wigs for Hair Loss

**Medicaid/Illinois:** *Note:* Please refer to the Illinois State Medicaid Provider Manual for the most up to date, specific items covered, indications for coverage, and any limitations on coverage at the following web address: [http://www.hfs.illinois.gov/assets/m200.pdf](http://www.hfs.illinois.gov/assets/m200.pdf)

**A. Covered Services:**
- Nondurable Medical Supplies: Items which have a limited life expectancy, including but not limited to surgical dressings, bandages, disposable syringes, etc. These items are used for an individual's care for life maintenance or to expedite hospital discharge and enable the person to be cared for at home.
- Durable Medical Equipment - Items which can withstand repeated use are primarily designed for medical purposes, generally not useful in the absence of illness or injury and appropriate for use in the home.
- Prostheses and Orthoses: Corrective or supportive devices prescribed to artificially replace a missing portion of the body or to prevent or correct physical deformity or malfunction, or to support a weak or deformed portion of the body.
- Respiratory Equipment and Supplies: Respiratory items, including oxygen, necessary as a life saving measure, for prevention of a medical emergency or institutionalization, or to facilitate deinstitutionalization.
- Repair, Alterations and Maintenance: Repair, alteration and maintenance of necessary durable medical equipment, prostheses, orthoses and hearing aids is limited to patient-owned items.
- Rental of Medical Equipment: Under certain circumstances, such as when a patient’s need is known to be temporary, coverage will be for rental rather than purchase of an item. Monaural or binaural hearing aids required to improve or correct a hearing deficit are a covered service. Refer to the Handbook for Audiology Services for policies on coverage and prior approval for hearing aids. Eyeglasses and other devices to correct vision are a covered service. Refer to the Handbook for Optometric Services for policies on coverage and limitations. Refer to Handbook for Providers of Medical Services, Chapter 100 General Policy and Procedures, Foreword, for instructions on obtaining copies of handbooks.

**B. Non Covered Services:** Payment cannot be made by the Department to providers of medical equipment or supplies for the following:
- Items or services ordered by terminated or barred providers. Items or services provided for the convenience of patients or their families for which medical necessity is not clearly established.
- Items or services inappropriate for the patient's medical condition. Items or services covered by another agency.
- Items or services that require prior approval but for which Department approval has not been obtained. Disposable items, when a permanent equivalent exists.
• Prepackaged "kits" when components are available in bulk. Stock orthopedic shoes, unless used in conjunction with a brace.

• Medical equipment and supplies for residents of Long Term Care facilities except as provided in Topic M-270.

• Prostheses inserted or implanted which do not increase physical capacity, overcome a handicap, restore a physiological function, or eliminate a functional disability.

• Items or services for a patient in a state mental facility. Items or services provided as part of a hospital inpt.stay.

• Items or services provided as part of a hospital outpatient visit that is billed under the Department’s Ambulatory Procedures Listing (APL) coverage.

• Items or services fabricated, fitted or dispensed without an appropriate license. Items or services for a patient receiving hospice care, except as provided in Topic M-210.9.

• Any item or service when a less expensive item or service is available and appropriate to meet the patient's need.

• Items or services which duplicate other items or services already approved by the Department for the same patient.

Medicaid/Iowa: Medicaid covers durable medical equipment, prosthetics, orthotics, and supplies prescribed by a physician, physician assistant, or advanced registered nurse practitioner. Only equipment whose use is primarily medical in nature is payable under the program. Items that have only an incidental medical use in individual cases are not covered. Please refer to the Iowa State Medicaid Provider Manual for the most up to date, specific items covered, indications for coverage, and any limitations on coverage at the following web address: http://dhs.iowa.gov/sites/default/files/MedEquip.pdf

Medicare/All States: Please refer to the CMS NCD for the most up to date, specific items covered, indications for coverage, and any limitations on coverage at the following web address: https://www.cms.gov/medicare-coverage-database/details/ncd-details.aspx?NCDId=190&ncdver=2&bc=BAABBBBBBBBBAAA&

When MHP receives a claim for an item of equipment which does not appear to fall logically into any of the generic categories listed, MHP has the authority and responsibility for deciding whether those items are covered under the DME benefit. These decisions must be made by MHP based on the advice of its medical consultants, taking into account:

• The Medicare Claims Processing Manual, Chapter 20, "Durable Medical Equipment, Prosthetics and Orthotics, and Supplies (DMEPOS)."

• Whether the item has been approved for marketing by the Food and Drug Administration (FDA) and is otherwise generally considered to be safe and effective for the purpose intended; and

• Whether the item is reasonable and necessary for the individual patient.

The term DME is defined as equipment which:

• Can withstand repeated use; i.e., could normally be rented and used by successive patients;

• Is primarily and customarily used to serve a medical purpose;

• Generally is not useful to a person in the absence of illness or injury; and,

• Is appropriate for use in a patient’s home.

CPT/HCPCS Codes:

References:


Approved by: 

Corporate Chief Operating Officer

Date: 10/20/2015

Reviewed and approved by Medical Policy and Procedures Committee: 

Date: 08/14/2015

Reviewed and approved by Medical Policy Operations Committee: 

Date: 08/28/2015

Reviewed and approved by Medical Advisory Committee: 

Date: 09/25/2015

Reviewed and approved by Corporate Compliance Committee: 

Date: 10/20/2015
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