



Criteria for Rental, Replacement, Repair, Upgrade or Purchase of Durable Medical Equipment (DME)

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Policy

The Medical Management Department reviews referral requests for authorization of monthly rental, replacement, repair, upgrade or purchase of Durable Medical Equipment (DME).

This Medical Policy does not constitute medical advice. When deciding coverage, the enrollee's specific plan document must be referenced. The terms of an enrollee's plan document (Certificate of Coverage (COC) or Summary Plan Description (SPD)) may differ from this Medical Policy. In the event of a conflict, the enrollee's specific benefit plan document supersedes this Medical Policy. All reviewers must first identify enrollee eligibility, any federal or state regulatory requirements, and the plan benefit coverage prior to use of this Medical Policy. Other Policies and Coverage Determination Guidelines may apply. Quartz reserves the right, in its sole discretion, to modify its Policies and Guidelines as necessary.

Procedure

A. Documentation Required:

1. To facilitate the authorization process, referral requests must include **ALL** of the following:
 - a. The patient's diagnosis and reported symptoms of the illness, injury or malformation; as well as degree of debility; **AND**
 - b. Statement of how the requested DME will improve patient's functional level or to return to the patient's prior level of function; **AND**
 - c. Outline of an expected length of time the DME will be necessary (when indicated); **AND**
 - d. Order from Physician or Advanced Practice Provider (NP or PA).

B. Criteria for Medical Necessity:

Durable Medical Equipment is medically necessary when **ALL** of the following are met:

1. The DME services are reasonable and necessary (see Definitions); **AND**
2. The equipment is not useful to a person in the absence of an illness or injury; **AND**
3. The item that can be safely provided to a patient and accomplish the desired end result in the most economical manner; **AND**
4. The DME services are prescribed by a Physician or Advanced Practice Provider (NP or PA).

C. Factors considered to determine whether Durable Medical Equipment (DME) should be authorized for rental or purchase:

1. Initial rental of the equipment may be required to determine effectiveness and/or adherence before medical necessity for purchase can be determined;
2. Whether the item needs to be custom-made or is designated as *single person use only*;
3. DME providers may require items to be “rented only” or “purchased only”.

D. Repair, Replacement and/or Upgrade of Durable Medical Equipment:

1. Authorization for repair of patient-owned equipment will be determined by the certificate of coverage and medical necessity of the requested repairs to return the equipment to a safe and serviceable condition.

Repairs requested for DME that was not prior authorized or was previously denied by the Health Plan will not be covered.

2. Authorization for replacement of patient-owned DME will be determined based on whether the equipment continues to be medically necessary and the damage is irreparable. Replacement will not be authorized when the patient’s Certificate of Coverage includes a Benefit Exclusion for Coverage of replacement cost(s).
3. The Medical Management Medical Director must review requests for DME upgrades to determine medical necessity prior to authorization approval.

References:

CMS Pub. 100-02 Medicare Benefit Policy Manual, Chapter 15 – Covered Medical and Other Health Services, Rev. 256, 2-1-19;

Section 110 – Durable Medical Equipment – General; Rev. 1, 10-1-03

Section 110.1 – Definition of Durable Medical Equipment; Rev. 228; 10-18-16

Available at: <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/bp102c15.pdf>

Accessed June 26, 2019.

Forward Health WI Medicaid Back-up Durable Medical Equipment, Topic #1730.