

## Medical Policy



### Durable Medical Equipment: General

#### Description

Durable medical equipment (DME) refers to items of medical equipment, owned or rented, which are used in a member's home or community to provide therapeutic benefits to a member in need because of certain medical conditions and/or illnesses. The term home medical equipment (HME) may also be used to describe DME. Examples of DME include, but are not limited to, wheelchairs (manual and electric), hospital beds, traction equipment, canes, crutches, walkers, and oxygen.

#### Policy and Coverage Criteria

All DME needs to be prior authorized and prescribed by the treating practitioner.

Standard (not designed or customized for a specific individual's use) DME is defined as all of the following:

1. The item can withstand repeated use (e.g., could normally be rented); and be used by successive members.
2. The item should be used and is appropriate for use in a home setting. DME that is appropriate for use in the member's home may also be used in the community. A home is defined as one of the following settings:
  - a) A private residence – where the member receives care
  - b) The member's dwelling – a house or apartment
  - c) A relative's home if the member lives there
  - d) A place of residence if the member lives there
  - e) A home for the aged or retirement home
3. The item's primary use must be medical in nature. DME is customarily used for a medical purpose and generally is not useful in the absence of illness or injury.

The treating practitioner is required to submit clinical information documenting the need for the DME and any associated accessories or features. Coverage of DME must meet the definition above and is limited to DME that is the most cost effective DME that meets the member's medical needs.

Nonstandard DME is any DME item that has certain additional features that make the item more expensive than the standard item. Nonstandard DME will be reviewed on a case-by-case basis

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based upon the clinical information provided and may be authorized when determined to be reasonable and necessary for the member and when no other medically appropriate standard DME exists.

Coverage for nonstandard DME and any associated accessories and features will be considered if it is reasonable and necessary. In these instances, the provider must submit clinical information documenting the reasons that the standard equipment does not meet the member's medical needs.

Requests for DME, and any associated accessories or features, are considered **not** reasonable and necessary if:

- it contains features that are not required for the member's condition.
- it does not meet the above criteria or specific product criteria and is, therefore, determined to be not reasonable and necessary.
- it is equipment that is primarily nonmedical in nature and used primarily and customarily for a non-medical purpose, even though the item may have some medically related use.
- it is being requested for convenience purposes.
- it is being requested because it contains features of an aesthetic nature.
- it contains features that are not required for the proper functioning of the base item.
- it is being requested despite the existence of an item that is reasonably feasible and a medically appropriate alternative that is considered standard compared to the equipment requested/furnished.
- the item serves essentially the same purpose as the standard equipment available.
- the item is clearly disproportionate to the therapeutic benefits that could ordinarily be gained from the use of the standard equipment.
- the item is deemed to be experimental/investigational.

Requests for DME, and any associated accessories or features are **not** considered reasonable and necessary for reimbursement in the following situations:

- Continued rental or purchase of a DME 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 provider in maintaining equipment in working order.
- When another coverage source is available such as homeowner's, rental, automobile, liability or other insurance.

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The rental or purchase of standard DME is eligible for coverage if determined to be reasonable and necessary as outlined above. If the member purchases or rents an item of DME having more nonstandard features than the member's condition requires, only the equipment and features determined to be reasonable and necessary will be covered.

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

Coverage 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. Coverage may also be available for replacement of equipment when the replacement is more cost effective than the repair.

#### **Refill Requirements**

For DMEPOS items and supplies provided on a recurring basis, billing must be based on prospective, not retrospective use. For DMEPOS products that are supplied as refills to the original order, suppliers must contact the member, and document an affirmative response, prior to dispensing the refill and not automatically ship on a pre-determined basis, even if authorized by the member. This shall be done to ensure that the refilled item remains reasonable and necessary, existing supplies are expected to end, and to confirm any changes or modifications to the order. Contact with the member or designee regarding refills must take place no sooner than 30 calendar days prior to the expected end of the current supply. For delivery of refills, the supplier must deliver the DMEPOS product no sooner than 10 calendar days prior to the expected end of the current supply. This is regardless of which delivery method is utilized.

For all DMEPOS items that are provided on a recurring basis, suppliers are required to have contact with the member or caregiver/designee and document an affirmative response, prior to dispensing a new supply of items. Suppliers must not deliver refills without a refill request and an affirmative response from a member. Items delivered without a valid, documented refill request will be denied as not reasonable and necessary.

Suppliers must not dispense a quantity of supplies exceeding a member's expected utilization. Suppliers must stay attuned to changed or atypical utilization patterns on the part of their clients. Suppliers must verify with the treating practitioners that any changed or atypical utilization is warranted.

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#### Important Note:

Northwood's Medical Policies are developed to assist Northwood in administering plan benefits and determining whether a particular DMEPOS product or service is reasonable and necessary. Equipment that is used primarily and customarily for a non-medical purpose is not considered durable medical equipment.

Coverage determinations are made on a case-by-case basis and are subject to all of the terms, conditions, limitations, and exclusions of the member's contract including medical necessity requirements.

The conclusion that a DMEPOS product or service is reasonable and necessary does not constitute coverage. The member's contract defines which DMEPOS product or service is covered, excluded or limited. The policies provide for clearly written, reasonable and current criteria that have been approved by Northwood's Medical Director.

The clinical criteria and medical policies provide guidelines for determining the medical necessity for specific DMEPOS products or services. In all cases, final benefit determinations are based on the applicable contract language. To the extent there are any conflicts between medical policy guidelines and applicable contract language, the contract language prevails. Medical policy is not intended to override the policy that defines the member's benefits, nor is it intended to dictate to providers how to direct care. Northwood Medical policies shall not be interpreted to limit the benefits afforded to Medicare or Medicaid members by law and regulation and Northwood will use the applicable state requirements to determine required quantity limit guidelines.

Northwood's policies do not constitute medical advice. Northwood does not provide or recommend treatment to members. Members should consult with their treating practitioner in connection with diagnosis and treatment decisions.

Northwood follow all CMS National Coverage Determinations (NCD) and Local coverage Determinations (LCD), as applicable.

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### Change/Authorization History

Revision Number	Date	Description of Change	Prepared / Reviewed by	Approved by	Review Date:	Effective Date:
A	11-15-11	Initial Release	Susan Glomb	Dr. B. Almasri	n/a	
01	11-28-12	Annual review – no changes.	Susan Glomb	Dr. B. Almasri	Nov. 2012	
02	12-18-13	Annual review. No changes	Susan Glomb	Dr. B. Almasri	Dec. 2013	
03	12-11-14	Annual Review. No Changes.	Susan Glomb	Dr. B. Almasri	November 2015	
03	11-23-15	Annual Review. No Changes.	Lisa Wojno	Dr. B. Almasri	November 2015	
04	11-16-16	Annual Review. No Changes.	Lisa Wojno	Dr. B. Almasri	November 2016	
05	11-10-17	Annual Review. No Changes.	Carol Dimech	Dr. C. Lerchin	November 2017	
06	11-09-18	Annual Review. No Changes.	Lisa Wojno	Dr. C. Lerchin	November 2018	

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07	11-01-19	Annual Review. No Changes.	Lisa Wojno	Dr. C. Lerchin	November 2019	11-2019
08	11-06-20	Annual Review. No Changes.	Carol Dimech	Dr. C. Lerchin	November 6, 2020	November 6, 2020
09	11-16-21	Annual Review. Added NCD/LCD verbiage to "Important Note".	Carol Dimech/Susan Glomb	Dr. C. Lerchin	November 16, 2021	11-16-21
10	11-01-22	Annual Review. No Changes.	Lisa Wojno	Dr. C. Lerchin	November 1, 2022	
11	11-8-23	Annual review. No changes.	Carol Dimech	Dr. C. Lerchin	11-8-23	11-8-23
12	9-10-24	Added to bullet list: DME is considered <b>not</b> reasonable and necessary if the item is deemed to be experimental/investigational.	Carol Dimech	Dr. C. Lerchin	9-10-24	9-10-24
13	11-11-24	Annual review. Added refill requirements.	Susan Glomb	Dr. C. Lerchin	11-11-24	1-11-24