



PROVIDER BULLETIN

BT200322

APRIL 4, 2003

To: All Durable Medical Equipment Providers, Home Health Care Providers, Hospitals, Medical Clinics, and Physicians

Subject: Update of Durable Medical Equipment Items Classified in the Capped Rental, and Frequent and Substantial Servicing Categories.

Note: The prior authorization, payment methodology, and maximum fees information in this bulletin can vary for providers rendering services to members enrolled in the risk-based managed care (RBMC) delivery system.

Overview

This bulletin notifies providers of approved additions and deletions to the capped rental, and frequent and substantial servicing categories by the Indiana Health Coverage Programs (IHCP) effective May 19, 2003. The IHCP recently conducted a review of durable medical equipment (DME) classified in the capped rental, and frequent and substantial servicing categories. An analysis of the Healthcare Common Procedure Coding System (HCPCS) codes included in these categories was conducted to determine if updates were required. During the review, a detailed analysis of all DME procedure codes covered by the IHCP was completed and compared against the codes identified in the capped rental, and frequent and substantial servicing categories by Medicare.

Providers should be aware that the IHCP policy and reimbursement criteria regarding capped rental items and items requiring frequent and substantial servicing will not change because of this update. As a reminder, rental payments made by the IHCP for DME identified in the capped rental category are limited to 15 months of continuous rental. Claims submitted for rental of a capped rental item in excess of 15 months will deny. During the rental period, the equipment supplier must supply and service the item at no additional charge to the IHCP. The use of capped rental equipment during a rental period may be interrupted; however, if the patient resumes use of the equipment within 60 days of the last payment, the original 15-month period remains active. If the interruption period exceeds the 60-day period, and the interruption reasons are justified, a new prior authorization request must be submitted to begin the new 15-month rental period. The supplier must document the reason for the greater than 60 day break in the rental period. Requests for prior approval of DME capped rental items are evaluated for documentation of long term need. In long term need situations, a decision may be made to purchase the item. According to the Indiana Administrative Code (IAC), 405 IAC 5-19-8, DME purchased with IHCP funds becomes the property of the Office of Medicaid Policy and Planning (OMPP).

Items requiring frequent and substantial servicing will not be purchased by the IHCP. The IHCP reimburses providers only for rental of these items, as long as the equipment is deemed medically necessary. Claims for purchase of these items will deny.

The policy for DME services is outlined in detail in the *IHCP Provider Manual, Chapter 8*. The following tables list the specific changes to the capped rental, and frequent and substantial servicing categories under the IHCP, effective May 19, 2003.

Capped Rental Items

Based on the IHCP review, the following HCPCS codes will be added or deleted from Table 8.28 in the *IHCP Provider Manual, Chapter 8*. The codes listed in Table 1 were covered prior to 2003 and have now been added to the capped rental category.

Table 1 – Codes Added to Capped Rental

Code	Description
E0169	Commode chair with seat lift mechanism
E0218	Water circulating cold pad with pump
E0221	Infrared heating pad system
E0231	Non-contact wound warming device (temperature control unit, AC adapter and power cord) for use with warming card and wound cover
E0232	Warming card for use with the non-contact wound warming device and non-contact wound warming wound cover
E0290	Hospital bed, fixed height, without side rails, with mattress
E0316	Safety enclosure frame/canopy for use with hospital bed, any type
E0371	Non-powered advanced pressure reducing overlay for mattress, standard mattress length and width
E0372	Powered air overlay for mattress, standard mattress length and width
E0373	Non-powered advanced pressure reducing mattress
E0481	Intrapulmonary percussive ventilation system and related accessories
E0482	Cough stimulating device, alternating positive and negative airway pressure
E0570	Nebulizer, with compressor
E0571	Aerosol compressor, battery powered, for use with small volume nebulizer
E0572	Aerosol compressor, adjustable pressure, light duty for intermittent use
E0574	Ultrasonic/electronic aerosol generator with small volume nebulizer
E0585	Nebulizer, with compressor and heater
E0600	Respiratory suction pump, home model, portable or stationary, electric
E0601	Continuous airway pressure (CPAP) device
E0603	Breast pump, electric (AC and/or DC), any type
E0607	Home blood glucose monitor
E0740	Incontinence treatment system, pelvic floor stimulator, monitor, sensor and/or trainer
E0779	Ambulatory infusion pump, mechanical, reusable, for infusion 8 hours or greater

Table 1 – Codes Added to Capped Rental

Code	Description
E0784	External ambulatory infusion pump, insulin
E1800	Dynamic adjustable elbow extension/flexion device, includes soft interface material
E1801	Bi-directional static progressive stretch elbow device with range of motion adjustment, includes cuffs
E1805	Dynamic adjustable wrist extension/flexion device, includes soft interface material
E1806	Bi-directional static progressive stretch wrist device with range of motion adjustment, includes cuffs
E1810	Dynamic adjustable knee extension/flexion device, includes soft interface material
E1811	Bi-directional static progressive stretch knee device with range of motion adjustment, includes cuffs
E1815	Dynamic adjustable ankle extension/flexion device, includes soft interface material
E1816	Bi-directional static progressive stretch ankle device with range of motion adjustment, includes cuffs
E1818	Bi-directional static progressive stretch forearm pronation/supination device with range of motion adjustment, includes cuffs
E1821	Replacement soft interface material/cuffs for bi-directional static progressive stretch device
E1825	Dynamic adjustable finger extension/flexion device, includes soft interface material
E1830	Dynamic adjustable toe extension/flexion device, includes soft interface material
E1840	Dynamic adjustable shoulder flexion/abduction/rotation device, includes soft interface material
E1902	Communication board, non-electronic augmentative or alternative communication device
E2000	Gastric suction pump, home model, portable or stationary, electric
E2100	Blood glucose monitor with integrated voice synthesizer
E2101	Blood glucose monitor with integrated lancing/blood sample
K0268	Humidifier, non-heated, used with positive airway pressure device
K0531	Humidifier, heated, used with positive airway pressure device
K0538	Negative pressure wound therapy electrical pump, stationary or portable

Table 2 lists the codes deleted from the HCPCS codes previously on capped rental. These codes will be removed from Table 8.28 of the *IHCP Provider Manual*.

Table 2 – Codes Deleted From Capped Rental

Deleted Code	Description	Action
E0608	Apnea monitor	Deleted code in 2003. As instructed in <i>BT200313</i> , providers are to use E0618 or E0619 as the appropriate replacement for E0608. <i>Note: Replacement codes E0618 and E0619 have been added to capped rental.</i>
E1091	Youth wheelchair, any type	Deleted code in 2003. As instructed in <i>BT200313</i> , providers are to use the appropriate HCPCS E code as a replacement of E1091. <i>Note: The replacement codes have been added to capped rental.</i>

The following codes were added with the 2003 HCPCS update and will be included in the capped rental category by the IHCP. Providers should refer to *IHCP Provider bulletin, BT200313 – New 2003 Healthcare Common Procedure Coding System Codes*, for the code descriptions, prior authorization (PA) requirements, allowed modifiers, and coverage status for the added codes shown in Table 3. Table 3 lists the specific 2003 HCPCS codes that will be classified in the capped rental category.

Table 3 – 2003 HCPCS Codes Added to Capped Rental

Code	Description
E0483	High frequency chest wall oscillation air-pulse generator system, (includes hoses and vest), each
E0618	Apnea monitor, without recording feature
E0619	Apnea monitor, with recording feature
E0636	Multipositional patient support system, with integrated lift, patient accessible controls
E1037	Transport chair, pediatric size
E1038	Transport chair, adult size
E1161	Manual adult size wheelchair, includes tilt in space
E1231	Wheelchair, pediatric size, tilt-in-space, rigid, adjustable, with seating system
E1232	Wheelchair, pediatric size, tilt-in-space, folding, adjustable, with seating system
E1233	Wheelchair, pediatric size, tilt-in-space, rigid, adjustable, without seating system
E1234	Wheelchair, pediatric size, tilt-in-space, folding, adjustable, without seating system
E1235	Wheelchair, pediatric size, rigid, adjustable, with seating system
E1236	Wheelchair, pediatric size, folding, adjustable, with seating system
E1237	Wheelchair, pediatric size, rigid, adjustable, without seating system
E1238	Wheelchair, pediatric size, folding, adjustable, without seating system
E1802	Dynamic adjustable forearm pronation/supination device, includes soft interface material

Heavy Duty Hospital Beds

The following new HCPCS codes will be effective May 19, 2003.

- K0549 – Hospital bed, heavy duty, extra wide, with weight capacity greater than 350 pounds, but less than, or equal to, 600 pounds, with any type side rails, with mattress.
- K0550 – Hospital bed, extra heavy duty, extra wide, with weight capacity greater than 600 pounds, with any type side rails, with mattress.

Both of these codes require prior authorization and documentation supporting the medical necessity for the heavy duty equipment. HCPCS codes K0549 and K0550 replace the HCPCS code *K0456 – Hospital bed, heavy duty, extra wide, with any type side rails, with mattress.*

K0456 will be noncovered effective May 19, 2003. Code *E0298 – Hospital bed, heavy duty, extra wide, with any type side rails, with mattress* was deleted in 2002 and was incorrectly crosswalked to K0456 by the IHCP.

Note: Effective May 19, 2003, only K0549 and K0550 should be billed for heavy duty, extra wide hospital beds.

Table 4 shows an all-inclusive list of DME equipment that will be considered as capped rental items by the IHCP. This listing will replace the codes identified in Table 8.28 of the *IHCP Provider Manual, Chapter 8.*

Table 4 – All Procedure Codes Classified as Capped Rental by the IHCP

Procedure Codes Considered as Capped Rental						
E0145	E0261	E0565	E0791	E1090	E1223	E1805
E0146	E0265	E0570	E0910	E1092	E1224	E1806
E0165	E0266	E0571	E0920	E1093	E1225	E1810
E0166	E0277	E0572	E0930	E1100	E1228	E1811
E0169	E0290	E0574	E0940	E1110	E1231	E1815
E0180	E0291	E0585	E0941	E1130	E1232	E1816
E0181	E0292	E0600	E0946	E1140	E1233	E1818
E0182	E0293	E0601	E0958	E1150	E1234	E1821
E0186	E0294	E0603	E0968	E1160	E1235	E1825
E0187	E0295	E0606	E1031	E1161	E1236	E1830
E0196	E0296	E0607	E1035	E1170	E1237	E1840
E0202	E0297	E0618	E1037	E1171	E1238	E1902
E0218	E0305	E0619	E1038	E1172	E1240	E2000

Table 4 – All Procedure Codes Classified as Capped Rental by the IHCP

Procedure Codes Considered as Capped Rental						
E0221	E0316	E0630	E1050	E1180	E1250	E2100
E0231	E0371	E0635	E1060	E1190	E1260	E2101
E0232	E0372	E0636	E1070	E1195	E1270	K0268
E0235	E0373	E0740	E1083	E1200	E1280	K0531
E0236	E0459	E0744	E1084	E1210	E1285	K0538
E0250	E0462	E0745	E1085	E1211	E1290	K0549
E0251	E0481	E0749	E1086	E1212	E1295	K0550
E0255	E0482	E0779	E1087	E1213	E1800	
E0256	E0483	E0781	E1088	E1221	E1801	
E0260	E0550	E0784	E1089	E1222	E1802	

Items Requiring Frequent and Substantial Servicing

During the evaluation of the capped rental codes, the IHCP included a review of the frequent and substantial servicing category for possible updates. The items included in the frequent and substantial servicing category are based on federal guidelines published in *Section 1834 (a)(3)(A)* of the *Social Security Act (Title XIX)*. According to the guidelines in *Section 1834 (a)(3)(A)*, payment for covered items such as ventilators, aspirators, Intermittent Positive Pressure Breathing (IPPB) machines, and nebulizers for which there must be frequent and substantial servicing to avoid risk to the patient’s health shall be made on a monthly basis for rental of the item. Subsequently, *Section 1834 (a)(3)(A)* was amended by striking ventilators, aspirators, IPPB machines, and nebulizers; and inserting “IPPB machines and ventilators, excluding ventilators that are either continuous airway pressure devices or intermittent assist devices with continuous airway pressure devices.” As a result, the IHCP has reviewed all of the items to be included in the frequent and substantial servicing category. In determining the codes to be included in this category, the IHCP consulted the Centers for Medicare and Medicaid Services (CMS) policy regarding the specific items that are currently classified as frequent and substantial servicing. As a reminder, for items requiring frequent and substantial servicing, the IHCP reimburses providers for rental payments only, as long as the equipment is deemed medically necessary.

The IHCP has identified the HCPCS codes listed in Table 5 that will be added or deleted from Table 8.29 in the *IHCP Provider Manual, Chapter 8*. Table 5 lists the specific codes added to the frequent and substantial servicing category.

Table 5 – Codes Added to Frequent and Substantial Servicing

Code	Description	Effective Time Line
E0454	Pressure ventilator with pressure control, pressure support and flow triggering features	New code in 2003
E0461	Volume ventilator, stationary or portable, with backup rate feature, used with noninvasive interface	New code in 2003
K0532	Respiratory assist device, bi-level pressure capability, without backup rate feature, used with noninvasive interface, e.g., nasal or facial mask (intermittent assist device with continuous positive airway pressure device)	Covered code by the IHCP, effective May 2000
K0533	Respiratory assist device, bi-level pressure capability, with backup rate feature, used with noninvasive interface, e.g., nasal or facial mask (intermittent assist device with continuous positive airway pressure device)	Covered code by the IHCP, effective May 2000

The following codes will be removed from the frequent and substantial servicing category, as shown in Table 8.29 of the *IHCP Provider Manual*. Table 6 lists the codes deleted from the frequent and substantial servicing category.

Table 6 – Codes Deleted From Frequent and Substantial Servicing

Code	Description	Effective Time Line
E0452	Intermittent assist device with continuous positive airway	Deleted code, effective May 2000.
E0453	Therapeutic Ventilator, suitable for use 12 hours or less per day	Deleted code, effective May 2000
E0457	Chest shell (cuirass)	Reclassified to the Inexpensive and Routinely Purchased category
E0505	IPPB machines with manual valves electrically driven with internal power source, built in nebulizer	Deleted code in 1991
E0585	Nebulizer, with compressor and heater	Reclassified to the Capped Rental category
E0600	Respiratory suction pump, home model, portable or stationary, electric	Reclassified to the Capped Rental category
E0601	Continuous airway pressure (CPAP) device	Reclassified to the Capped Rental category
E1375	Nebulizer portable with small compressor, with limited flow	Deleted code, effective May 2001

Table 7 shows the all-inclusive listing of DME equipment requiring frequent and substantial servicing. This listing replaces the codes identified in Table 8.29 of the *IHCP Provider Manual, Chapter 8*.

Table 7 – All Procedure Codes Classified as Frequent and Substantial Servicing by the IHCP

Procedure Code	Description
E0450	Volume ventilator, stationary or portable, with backup rate feature, used with invasive interface (e.g., tracheostomy tube)
E0454	Pressure ventilator with pressure control, pressure support, and flow triggering features
E0460	Negative pressure ventilator, portable or stationary
E0461	Volume ventilator, stationary or portable, with backup rate feature, used with non-invasive interface
E0500	IPPB machine, all types, with built-in nebulization; manual or automatic valves; internal or external power source
E0575	Nebulizer, ultrasonic, large volume
E0935	Passive motion exercise device
K0532	Respiratory assist device, bi-level pressure capability, without backup rate feature, used with noninvasive interface, e.g., nasal or facial mask (intermittent assist device with continuous positive airway pressure device)
K0533	Respiratory assist device, bi-level pressure capability, with backup rate feature, used with noninvasive interface, e.g., nasal or facial mask (intermittent assist device with continuous positive airway pressure device)

Additional Information

Direct questions about this bulletin to Customer Assistance at (317) 655-3240 in the Indianapolis local area, or 1-800-577-1278.

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