



Promise Health Plan

POLICY & PROCEDURE

Medical Services

Policy Title: Durable Medical Equipment Rental and Purchase

Policy No: 70.2.97

Original Date: 12/17

Effective Date: 12/18

Revision Date: 6/18, 12/18

Revision No: 2

Department Head:

Date:

Medical Services/P&T Committee:

Date:

P&P Committee:

Date:

Department(s):

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PURPOSE:

To establish Blue Shield Promise's guidelines for approving the rental or purchase of Durable Medical Equipment (DME).

POLICY:

DME: is any equipment that provides therapeutic benefits to a member because of certain medical conditions and/or illnesses that can withstand repeated use, is primarily and customarily used to serve a medical purpose, and is appropriate for use in the home.

Capped Rentals: DME that a member uses continuously over a relatively short period of time, where rental is more appropriate than purchase, as determined by Medi-Cal and Medicare, are approved as rentals rather than purchases.

Capped rental items for the effective use of the equipment by the member, including equipment, accessories, supplies, delivery, shipping and handling, labor, set-up, visits, patient education, maintenance, repairs, and replacement parts of the DME item in questions.

In order for DME items to be eligible for authorization, the DME supplier must meet eligibility and/or credentialing requirements. DME requires a prescription to rent or purchase before it is eligible for coverage. Once eligible for coverage DME is considered part of the member's DME benefits provision.

DME purchase or rental decisions are made based on the item prescribed, the patient's prognosis, the time frame required for use, and the least costly item available to meet member's medical necessity.

A rented item is considered the property of the provider and should be returned to the provider if not purchased and is no longer medically necessary for the member.

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- Member will retain possession of a rented item until it is no longer considered medically necessary and/or met purchased price.

Equipment that is purchased without prior rental will be owned by the patient.

PROCEDURE:

1. Eligible DME rentals, at the contracted rental rates for an uninterrupted thirteen (13) month prescription period, shall be considered capped at the end of the thirteenth month period. A new 13-month period shall commence with prescription if the period of interruption is 30 days or more. Oxygen therapy equipment shall be considered capped at thirty six months (36) for all lines of business mentioned above.
2. DME rental is based on rental period of one (1) calendar month with beginning dates of rental as date of service based on eligibility and/or as specified by Medicare/Medi-Cal. The entire month shall be counted for the item(s) rented for a partial month.
3. DME that has reached its rental capped ceiling shall remain with the member for the duration of the prescription. Provider will provide ongoing maintenance and support for DME when requested and authorized by Plan and/or item warrantee. For DME that is no longer covered under the manufacturer's warrantee Blue Shield Promise Health Plan will proceed with the standard authorization processes to establish medical necessity if item is still requested.
4. Upon Plan request, Provider will convert an ongoing rental item to a purchase item. All months paid rental will apply towards the purchase of that item as set forth by Medi-Cal and Medicare.
5. "Plan" and "Provider" shall follow Medicare or Medi-Cal oxygen therapy guidelines in respect to oxygen equipment maintenance billing; oxygen contents/supply reimbursement and the reasonable useful lifetime of the member.

REFERENCES/AUTHORITIES:

Title 22 Section 51160 & 51321 (c)(5)(c)
45 CFR 414.229