

## Durable Medical Equipment, Prosthetics and Orthotics

<b>Policy Number:</b> MM.01.013	<b>Current Effective Date:</b> December 20, 2024
<b>Lines of Business:</b> Small Group & Individual Plans; Federal Plan 87; QUEST Integration	<b>Original Effective Date:</b> January 01, 2014
<b>Place of Service:</b> Home	<b>Precertification:</b> Required, refer to Section IV

### I. Description

Durable medical equipment (DME) is equipment that can withstand repeated use, is primarily and customarily used to serve a medical purpose, is generally not useful to a person in the absence of a medical condition and is appropriate for use in the home.

Prosthetics are artificial substitutes that replace all or part of a body organ or replace all or part of the function of a permanently inoperative, absent, or malfunctioning body part.

Orthotics are rigid or semi-rigid supportive devices used to protect, restore, or improve body function.

### II. Policy Criteria

Durable medical equipment, prosthetics and orthotics are covered (subject to Limitations and Administrative Guidelines) when **ALL** the following are met:

- A. The item meets HMSA's definition of DME, prosthetics, or orthotics (refer to Description).
- B. The item is used in the home. HMSA defines the home as the place where the individual lives, other than a hospital or skilled or intermediate nursing facility.
- C. The item is ordered by the treating physician.
- D. The item has been approved by the United States Food and Drug Administration FDA for the purpose that it is being prescribed.
- E. The criteria for the specific DME, orthotic, or prosthetic are met, as applicable. For coverage criteria on the following items, refer to the applicable HMSA medical policy which may be accessed via HMSA's Provider Resource Center at <https://prc.hmsa.com/s/article/Medical-Policies-CURRENT>.
  1. Continuous Glucose Monitoring Systems.
  2. Compression Garments (Gradient) for the Extremities.
  3. High Frequency Chest Wall Oscillation Devices and Other Airway Clearance Therapy Devices.
  4. Insulin Pumps – External.
  5. Knee Orthoses for Osteoarthritis.
  6. Negative Pressure Wound Therapy.
  7. Oxygen and Oxygen Equipment.
  8. Positive Airway Pressure and Oral Devices for the Treatment of Obstructive Sleep Apnea.
  9. Pulse Oximeter for Children.

- F. In the absence of an HMSA medical policy addressing the requested DME, orthotic, or prosthetic, coverage determination criteria in the following sources will be used to determine medical necessity:
  - 1. Medical necessity criteria under Hawaii Patients' Bill of Rights and Responsibilities Act, Hawaii Revised Statutes § 432E-1.4.
  - 2. Hawaii Administrative Rules, HAR 1700.1-42.
  - 3. Centers for Medicare and Medicaid Services (CMS):
    - a. Local Coverage Determinations, Durable Medical Equipment, Parts A and B.
    - b. Medicare National Coverage Determinations.

### III. Limitations

- A. Items that do not meet HMSA'S definition of DME, prosthetics, or orthotics are not covered.
- B. Coverage of DME, prosthetics and orthotics is subject to plan benefits.
  - 1. Items that are excluded under the individual's plan benefits are not covered.
  - 2. Institutional equipment that will be used in the home setting are subject to individual plan benefits. Some of HMSA's plans do not cover institutional equipment for home use, with the exception of breast pumps and pulse oximeters for children.
- C. Items that represent a duplicative piece of equipment are not covered (e.g., a back-up manual wheelchair when a power wheelchair is the individual's primary means of mobility; a second wheeled mobility device specifically for work or school use).
- D. Items that meet the same medical need as the current item in a more efficient or convenient manner are not covered when there is no change in the individual's condition.
- E. Items that are not primarily medical or therapeutic in nature are not covered, including but not necessarily limited to:
  - 1. Environmental control equipment.
  - 2. Comfort and convenience items.
  - 3. Educational equipment).
  - 4. Emergency first-aid or precautionary equipment.
  - 5. Back-up equipment.
- F. Hygienic equipment is not covered for Small Group & Individual Plans or for Federal Plan 87 plan holders. Coverage of hygienic equipment for Quest Integration plan holders is limited to medically necessary items and may be subject to additional review.
- G. Items used primarily for participation in sports, exercise, or leisure activities, including exercise equipment, are not covered.
- H. Supplies and accessories used with DME are not covered when criteria for DME are not met.

### IV. Administrative Guidelines

- A. When precertification is required, complete HMSA's [Precertification Request](#) and mail or fax the form along with the required documentation as indicated. Precertification is required for the following items:
  - 1. Continuous glucose monitoring systems.
  - 2. Custom-fabricated knee orthosis.
  - 3. External prosthetic devices exceeding \$10,000 in charges.
  - 4. High frequency chest wall oscillation devices.
  - 5. Mechanical insufflation-exsufflation (cough assist) devices.
  - 6. Hospital beds.
  - 7. Hospital grade breast pumps.
  - 8. Insulin pumps (external).

9. Oral appliances for the treatment of obstructive sleep apnea.
  10. Oxygen and oxygen equipment. Refer to the applicable HMSA medical policy for additional information.
  11. Pneumatic compression devices.
  12. Pulse oximeters (pediatric).
  13. Respiratory assist devices (bi-level positive airway pressure devices).
  14. Spinal cord stimulators for pain management.
  15. Ventilators.
  16. Items that are uniquely constructed or substantially modified based on the individual's specific need. A complete and clear description of the item must be submitted.
  17. Adult wheelchairs with HCPCS codes K0004, K0005, K0008 and K0009.
  18. Power mobility devices with HCPCS codes K0013, K0800-K0898.
  19. Push-rim activated power assist devices with HCPCS code E0986.
  20. Standing frames with HCPCS codes E0637, E0638, E0641 and E0642.
  21. Gait trainers with HCPCS codes E8000, E8001 and E8002.
  22. Patient lifts with HCPCS codes E0625.
  23. Replacement external speech processor for cochlear implants with HCPCS codes L8619, L8627 and L8628.
  24. Low vision aids with HCPCS codes V2600, V2610 and V2615.
  25. Any DME coded with a miscellaneous HCPCS code (i.e., E1399, K0108 and/or K0900).
  26. In addition to the above, for QUEST Integration plan holders, precertification is required for the following:
    - a. Hearing aids ( initial, repair, and replacement).
    - b. Continuous airway pressure devices.
    - c. Apnea monitors.
    - d. Manual wheelchairs with HCPCS codes K0001, K0002, K0003, K0006 and K0007.
    - e. Polycarbonate lenses for adults.
    - f. Contact lenses.
    - g. DME, external prosthetics, orthotics, and supplies when the allowance is more than \$500 or for rental of such when the total allowance over the rental period will be more than \$500.
    - h. For additional HCPCS codes that require precertification for QUEST Integration, refer to HMSA's [Durable Medical Equipment \(DME\), prosthetics and orthotics HCPCS Codes that Require Precertification](#).

Note: This list is not inclusive to all the durable medical equipment, prosthetics, orthotics, and supplies that require precertification for QUEST Integration.
- B. For items that do not require precertification, documentation supporting medical necessity should be legible, maintained in the medical record, and must be made available to HMSA upon request. HMSA reserves the right to perform retrospective review using the above criteria to validate if services rendered met payment determination criteria.

- C. DME can be rented or purchased, depending on the length of time the equipment is needed.
1. The decision whether to rent or purchase durable medical equipment is made by HMSA.
  2. HMSA has adopted the Medicare category for capped rental items which are available as rentals only.
    - a. In general, Medicare criteria for repairs, maintenance, and replacement apply.
    - b. Suppliers are responsible for monitoring utilization of DMEPOS rental items and supplies. Suppliers must discontinue billing when rental items or ongoing supply items are no longer used by the patient. For DME, this information is available in Noridian/Medicare Jurisdiction D DME Supplier Manual, Chapter 5, DMEPOS. Of note is that if an item of DME is in good working order and meets the patient's medical needs, it should not automatically be replaced based on the age of the DME.
  3. Replacement of an orthotic or prosthetic that is an artificial limb, or replacement part of a prosthetic device is covered if the ordering physician determines that the device is still medically necessary and that the replacement device or part is necessary because of any of the following:
    - a. A significant change in the physiological condition of the individual
    - b. Irreparable wear of the device, or in a part of the device.
    - c. The condition of the device, or the part of the device, requires repairs and the cost of such repairs would be more than 60 percent of the cost of a replacement device, or, as the case may be, of the part being replaced.
    - d. Loss.
    - e. Irreparable accidental damage.
  4. In general, the cost of repair will be covered when it is more cost effective to repair than replace the item.
  5. HMSA will only pay for one month of a loaner item per repair incident. If at a later time the equipment needs to be fixed again, HMSA may consider payment for another loaner item.
  6. Break in service.
    - a. For an item described by the same code, a new capped rental period begins if there has been an interruption in the medical necessity for the item and the interruption lasted for 60-plus consecutive days. A 60-plus consecutive day interruption is defined as a period including two full rental months plus whatever days are remaining in the rental month during which the need ends.
    - b. For an item described by a different code, a new capped rental period would begin if there is a substantive change in the patient's condition that necessitates a significantly different item. The claim for these items must include, but is not limited to:
      - i. A description of the patient's prior medical condition that necessitated the previous item.
      - ii. A statement explaining when and why the medical necessity for the previous item ended.
      - iii. A statement explaining the new or changed medical condition and when the new need began.

## V. Important Reminder

The purpose of this Medical Policy is to provide a guide to coverage. This Medical Policy is not intended to dictate to providers how to practice medicine. Nothing in this Medical Policy is intended to discourage or prohibit providing other medical advice or treatment deemed appropriate by the treating physician.

Benefit determinations are subject to applicable member contract language. To the extent there are any conflicts between these guidelines and the contract language, the contract language will control.

This Medical Policy has been developed through consideration of the medical necessity criteria under Hawaii's Patients' Bill of Rights and Responsibilities Act (Hawaii Revised Statutes §432E-1.4) or for QUEST members, under Hawaii Administrative Rules (HAR 1700.1-42), generally accepted standards of medical practice and review of medical literature and government approval status.

HMSA has determined that services not covered under this Medical Policy will not be medically necessary under Hawaii law in most cases. If a treating physician disagrees with HMSA's determination as to medical necessity in a given case, the physician may request that HMSA reconsider the application of the medical necessity criteria to the case at issue in light of any supporting documentation.

## VI. References

1. HCPCS Level II Manual, 2024.
2. Centers for Medicare and Medicaid, Durable Medical Equipment
3. Centers for Medicare and Medicaid, Medicare National Coverage Determinations Manual
4. Centers for Medicare and Medicaid, Local Coverage Determinations Manual, Noridian Jurisdiction D DME Supplier Manual, Chapter 5, DMEPOS

## VII. Policy History

Action Date	Action
January 01, 2014	Policy created
September 02, 2014	Policy reviewed by Medical Director Joy Murakami, M.D.
September 02, 2014	Policy approved by Medical Directors
September 26, 2014	Policy approved by UMC
October 05, 2015	Policy reviewed by Medical Director Joy Murakami, M.D.
October 20, 2015	Policy approved by Medical Directors
October 23, 2015	Policy approved by UMC
December 01, 2016	Policy reviewed by Medical Director Joy Murakami, M.D.
December 20, 2016	Policy approved by Medical Directors
December 30, 2016	Policy approved by UMC
July 25, 2017	Policy reviewed by Medical Director Joy Murakami, M.D.
August 01, 2017	Policy approved by Medical Directors
August 25, 2017	Policy approved by UMC. 90-day notice: Effective 1/1/2018
July 27, 2018	Policy reviewed by Medical Director Joy Murakami, M.D.
August 07, 2018	Policy approved by Medical Directors
August 29, 2018	Policy approved by UMC
August 30, 2019	Policy reviewed by Medical Director Joy Murakami, M.D.

October 01, 2019	Policy approved by Medical Directors
October 25, 2019	Policy approved by UMC
February 01, 2020	60 Day Notice
September 21, 2020	Policy reviewed by Medical Director Joy Murakami, M.D.
October 06, 2020	Policy approved by Medical Directors
October 23, 2020	Policy approved by UMC
February 01, 2021	60 Day Notice
November 01, 2021	Policy reviewed by Medical Director Toby Smith, D.O.
November 16, 2021	Policy approved by Medical Directors
November 19, 2021	Policy approved by UMC
May 01, 2022	Policy effective date following notification period
September 20, 2022	Policy reviewed by Medical Director Toby Smith, D.O.
October 04, 2022	Policy approved by Medical Directors
October 28, 2022	Policy approved by UMC
November 29, 2023	Policy reviewed by Medical Director Toby Smith, D.O.
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December 15, 2023	Policy approved by UMC
November 26, 2024	Policy reviewed by Medical Director Toby Smith, D.O.
December 03, 2024	Policy approved by Medical Directors
December 20, 2024	Policy approved by UMC