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**To: DME and DMER Providers
Contracts Affected: All Lines of Business**

Respiratory Equipment Update

Continuous Positive Airway Pressure (CPAP), Bi-level Positive Airway Pressure (BiPAP) and Related Accessories

Effective January 1, 2009, BlueCross BlueShield of Western New York will implement changes for CPAP (E0601RR), BiPAP-S (E0470RR) and BiPAP-ST (E0471RR).

- Preauthorization for CPAP and BiPAP-S will continue to be required.
- In order to obtain preauthorization for this equipment, the original sleep study and the HCPCS billing codes must be submitted via fax to our Use Management department at 1-716-887-7193.
- CPAP, BiPAP-S and BiPAP-ST can be rented up to a maximum of 13 months. At the end of 13 months, the rental period is considered “capped” and the member will then own the equipment.

The following chart reflects the current Medicare guidelines. It indicates the most commonly billed codes, descriptions, billing modifiers, replacement timeframes, preauthorization requirements and rates. Future updates will be reviewed on an “as needed” basis.

CPAP, BiPAP and Related Accessories

Code	Description	Modifier	Frequency	Preauthorization	Rate
A4604	Tubing with integrated heating element for use with positive airway pressure device	NU	1 per 3 months	N	\$56.79
A7027	Combination oral/nasal mask, used with continuous positive air pressure device, each	NU	1 per 3 months	N	\$152.45
A7028	Oral cushion for combination oral/nasal mask, replacement only, each	NU	2 per month	N	\$42.11
A7029	Nasal pillow for combination oral/nasal mask, replacement only, each	NU	2 per month	N	\$17.20
A7030	Full face mask used with positive airway pressure device, each	NU	1 per 3 months	N	\$160.34
A7031	Face mask interface, replacement for full face mask, each	NU	1 per 1 month	N	\$59.30

Code	Description	Modifier	Frequency	Preauthorization	Rate
A7032	Cushion for use on nasal mask interface, replacement only	NU	2 per 1 month	N	\$34.45
A7033	Pillow for use on nasal cannula type interface, replacement only, pair	NU	2 per 1 month	N	\$24.15
A7034	Nasal interface (mask or cannula type) used with positive airway pressure device, with or without head strap	NU	1 per 3 months	N	\$99.99
A7035	Headgear used with positive airway pressure device	NU	1 per 6 months	N	\$30.11
A7036	Chinstrap used with positive airway pressure device	NU	1 per 6 months	N	\$15.47
A7037	Tubing used with positive airway pressure device	NU	1 per 3 months	N	\$33.33
A7038	Filter, disposable, used with positive airway pressure device	NU	2 per 1 month	N	\$3.89
A7039	Filter, non-disposable, used with positive airway pressure device	NU	1 per 6 months	N	\$13.03
A7044	Oral interface used with positive airway pressure device, each	NU	1 per 3 months	N	\$102.77
A7045	Exhalation port with or without swivel used with accessories for positive airway devices, replacement only	NU	1 per 6 months	N	\$16.55
A7046	Water chamber for humidifier, used with positive airway pressure device, replacement, each	NU	1 per 6 months	N	\$16.58
E0470	Respiratory assist device, bi-level pressure capability, without backup rate feature, used with noninvasive interface i.e. nasal or facial mask (intermittent assist device with continuous positive airway pressure device)(BiPAP-S)	RR	13-month cap, replacement after 5 years, subject to Health Plan approval	Y	\$176.16
E0471	Respiratory assist device, bi-level pressure capability, with backup rate feature, used with noninvasive interface i.e. nasal or facial mask (intermittent assist device with continuous positive airway pressure device)(BiPAP-ST)	RR	13-month cap, replacement after 5 years, subject to Health Plan approval	N	\$545.84
E0561	Humidifier, non-heated, used with positive airway pressure device	RR	13-month cap, replacement after 5 years, subject to Health Plan approval	N	\$7.00
E0562	Humidifier, heated, used with positive airway pressure device	RR	13-month cap, replacement after 5 years, subject to Health Plan approval	N	\$19.70
E0601	Continuous airway pressure (CPAP) device	RR	13-month cap, replacement after 5 years, subject to Health Plan approval	Y	\$76.70

Oxygen and Oxygen Related Supplies

Effective January 1, 2009, BlueCross BlueShield will be implementing a new reimbursement methodology for oxygen and oxygen-related supplies for all lines of business. In order to align our reimbursement methodology more closely with rental items, such as wheelchairs and CPAP, which have a 13-month cap, we will be moving away from our current method of global payment. The updated methodology will apply to claims billed with dates of service on or after January 1, 2009.

- All oxygen concentrators, stationary or portable oxygen systems, will be capped at a 13-month rental.
- Preauthorization will not be required for oxygen and oxygen-related supplies, with the exception of repairs. The following chart reflects the current Medicare guidelines for accessory replacement frequency.
- In accordance with Medicare guidelines, all HCPCS codes for oxygen contents (codes E0441-E0444) will be set at a flat rate; one unit is considered equal to one month's supply of oxygen for the system(s) specified in each code's description.

Guidelines on when and how often providers may bill for these codes are included in the following chart. Future updates will be reviewed on an "as needed" basis.

Oxygen and Oxygen Supplies

HCPCS Code	Description	Modifier	Frequency of Replacement	Rate
A4615	Cannula, nasal	NU	2 per week	\$0.83
A4616	Tubing (oxygen), per foot	NU	Every 90 days or immediately if it develops visible cracks, breaks, permanent kinks, or foul odor	\$0.08
E0424	Stationary compressed gaseous oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing	RR	13-month cap	\$199.28
E0431	Portable gaseous oxygen system, rental; includes portable container, regulator, flowmeter, humidifier, cannula or mask, and tubing	RR	13-month cap	\$31.79
E0434	Portable liquid oxygen system, rental; includes portable container, supply reservoir, humidifier, flowmeter, refill adaptor, contents gauge, cannula or mask, and tubing	RR	13-month cap	\$31.79
E0439	Stationary liquid oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, tubing	RR	13-month cap	\$199.28
E0441	Oxygen contents, gaseous (for use with owned gaseous stationary systems or when both a stationary and portable gaseous system are owned), one month's supply = one unit	NU	*As needed	\$77.45/month

HCPCS Code	Description	Modifier	Frequency of Replacement	Rate
E0442	Oxygen contents, liquid (for use with owned liquid stationary systems or when both a stationary and portable liquid system are owned), one month's supply = one unit	NU	*As needed	\$77.45/month
E0443	Portable oxygen contents, gaseous (for use only with portable gaseous systems when no stationary gas or liquid system is used), one month's supply = one unit	NU	*As needed	\$77.45/month
E0444	Portable oxygen contents, liquid (for use only with portable liquid systems when no stationary gas or liquid system is used), one month's supply = one unit	NU	* As needed	\$77.45/month
E1353	Regulator	NU		\$32.87
E1355	Stand / rack	NU	1 per initial concentrator set up	\$24.75
E1390	Oxygen concentrator, single delivery port, capable of delivering 85 percent or greater oxygen concentration at the prescribed flow rate	RR	13-month cap	\$76.92
E1392	Portable oxygen concentrator, rental	RR	13-month cap	\$51.63

***Frequency**

Oxygen frequency is "as needed". The HCPCS code covers a one-month supply and can be billed only once per month. Reimbursement for oxygen contents is a flat rate, regardless of the amount of oxygen needed. For some members, the flat rate will be an overpayment, and for others it will be an underpayment.

During the 13-month rental period:

- For members using oxygen concentrators, we will now reimburse separately for oxygen-related supplies, such as tubing and cannulas.
- Providers may bill one unit once a month for code E0443 (oxygen contents) for the portable gas system for a member using a concentrator.
- For a liquid or gas system (stationary and/or portable), the HCPCS code definitions for stationary/portable liquid or gas systems include some supplies. These included supplies should not be billed separately during the rental period if they are to be used with the liquid/gas systems.
- Once the item is capped at 13 months, the member would own the equipment.

Once the member owns the equipment, or for members who currently own their equipment without having rented it, the following guidelines apply:

- Concentrators will be reimbursed for one unit per month under code E0443 (oxygen contents) for portable gas systems.
- A stationary liquid or gas system will be reimbursed for one unit per month under E0441 or E0442 (oxygen contents).
- Oxygen-related supplies such as tubing and cannulas for use with concentrators, liquid or gas units will be reimbursed.

Repairs

Once the manufacturer's warranty on a member's oxygen system has expired, repairs will be considered if billed under code E1399.

- Repairs are considered necessary in order to make the equipment serviceable; we will determine whether the unit should be repaired or replaced.
- Preauthorization through the Use Management department is required when billing E1399 for repairs.
- Six months after rented equipment has capped, a provider may bill a service maintenance fee using the appropriate rental code and the modifier MS (for example, E1390MS). A service maintenance fee can only be billed once every six months.

Benefits

All services must be ordered by a physician and meet medical necessity guidelines. A certificate of medical necessity (CMN) should be obtained and retained for record purposes. Services are subject to the provisions of the member's contract. Benefits should always be verified **prior** to rendering services.

Claims will be reviewed on a post-payment basis to ensure appropriate billing practice and correct reimbursements.

Should you have any questions regarding this bulletin, please contact your Network Services Representative at 1-800-666-4627.