DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services

Home Oxygen Therapy

Please note: The information in this publication applies only to the Medicare Fee-For-Service Program (also known as Original Medicare).

This publication provides the following information about home oxygen therapy:

- Covered oxygen items and equipment for home use;
- Coverage requirements;
- Criteria you must meet to furnish oxygen items and equipment for home use;
- Advance Beneficiary Notice of Noncoverage (ABN);
- Oxygen equipment, items, and services that are not covered;
- Payments for oxygen items and equipment;
- Billing and coding guidelines; and
- Resources.

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COVERED OXYGEN ITEMS AND EQUIPMENT FOR HOME USE

The following oxygen items and equipment for home use may be covered under the Medicare Program provided the reasonable and necessary requirements set out in the related Local Coverage Determination (LCD) and statutory payment policies discussed below are met:

- Systems for furnishing oxygen;
- Tubing and related supplies for the delivery of oxygen;
- Vessels for storing oxygen; and
- Oxygen contents.

COVERAGE REQUIREMENTS

For home oxygen items and equipment to be covered under the Medicare Program, they must:

- Be eligible for a defined Medicare benefit category;
- Be reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member;
- Be ordered by providers and furnished by suppliers who are enrolled in the Medicare Program; and
- Meet all other applicable Medicare statutory and regulatory requirements.

Reasonable and necessary oxygen items and equipment for home use must meet **all** of the following criteria:

1) The treating physician examined the patient and determined that he or she has one of the following conditions that might be expected to improve with oxygen therapy:
   - A severe lung disease. Examples include chronic obstructive pulmonary disease, diffuse interstitial lung disease (known or unknown etiology), cystic fibrosis, bronchiectasis, and widespread pulmonary neoplasm; or
   - Hypoxia-related symptoms or findings. Examples include pulmonary hypertension, recurring congestive heart failure due to cor pulmonale, erythrocytosis, impairment of cognitive process, nocturnal restlessness, and morning headache;
2) The treating physician or a qualified provider or supplier of laboratory services conducted the qualifying blood gas study. A qualified provider or supplier of laboratory services is:
   - Certified to conduct blood gas studies; or
   - A hospital certified to conduct blood gas studies;
3) The qualifying blood gas study value was obtained under the following conditions:
   - During an inpatient hospital stay – Closest to, but no earlier than, 2 days prior to the hospital discharge date, with home oxygen therapy beginning immediately following discharge; or

- During an outpatient encounter – Within 30 days of the date of Initial Certification while the patient is in a chronic stable state. A chronic stable state is when the patient is not in a period of acute illness or an exacerbation of his or her underlying disease;

4) The treating physician tried or considered alternative treatments and they were deemed clinically ineffective; and
5) For Initial Certifications, the patient's blood gas study (either an arterial blood gas or an oximetry test) values meet one of the following criteria:
   - Group I criteria:
     - Patient on room air while at rest (awake) when tested:
       - Arterial oxygen saturation is at or below 88 percent; **or**
       - Arterial Partial Pressure of Oxygen (PO2) is at or below 55 mm Hg;
     - Patient tested during exercise and, if during the day while at rest, arterial PO2 is at or above 56 mm Hg or an arterial oxygen saturation is at or above 89 percent:
       - Arterial PO2 is at or below 55 mm Hg or an arterial oxygen saturation is at or below 88 percent; **and**
       - Documented improvement of hypoxemia during exercise with oxygen;
     - Patient tested during sleep and if arterial PO2 is at or above 56 mm Hg or an arterial oxygen saturation is at or above 89 percent while awake, additional testing must show:
       - Arterial PO2 is at or below 55 mm Hg or an arterial oxygen saturation is at or below 88 percent for at least 5 minutes taken during sleep; **or**
       - Decrease in arterial PO2 of more than 10 mm Hg or a decrease in arterial oxygen saturation more than 5 percent for at least 5 minutes associated with symptoms or signs more than 5 percent from baseline saturation for at least 5 minutes taken during sleep associated with symptoms or signs reasonably attributable to hypoxemia. Examples of symptoms include impairment of cognitive processes and (nocturnal restlessness or insomnia). Examples of signs include cor pulmonale, "P" pulmonale on electrocardiogram (EKG), documented pulmonary hypertension, and erythrocytosis reasonably attributable to hypoxemia;

     Initial coverage of Group I home oxygen therapy is limited to 12 months or the treating physician-specified length of need for oxygen, whichever is shorter.

   - Group II criteria. (Includes portable oxygen systems if the patient is mobile within the home and the qualifying blood gas study is performed at rest while awake or during exercise. Medicare will deny portable oxygen as not reasonable and necessary if the only qualifying blood gas study is performed during sleep.):
     - Patient on room air at rest while awake when tested:
       - Arterial oxygen saturation of 89 percent at rest (awake); **or**
       - Arterial PO2 of 56-59 mm Hg; **and**
         a. Dependent edema suggesting congestive heart failure; **or**

b. Pulmonary hypertension or cor pulmonale, determined by measurement of pulmonary artery pressure, gated blood pool scan, echocardiogram, or "P" pulmonale on EKG (P wave greater than 3 mm in standard leads II, III, or AVF); **or**
c. Erythrocythemia with a hematocrit greater than 56 percent; or

- Patient tested during exercise:
  - Arterial oxygen saturation of 89 percent; **or**
  - Arterial PO2 of 56-59 mm Hg; **and**
    a. Dependent edema suggesting congestive heart failure;
    b. Pulmonary hypertension or cor pulmonale, determined by measurement of pulmonary artery pressure, gated blood pool scan, echocardiogram, or "P" pulmonale on EKG (P wave greater than 3 mm in standard leads II, III, or AVF); **or**
    c. Erythrocythemia with a hematocrit greater than 56 percent; or
- Patient tested during sleep for at least 5 minutes:
  - Arterial oxygen saturation of 89 percent; **or**
  - Arterial PO2 of 56-59 mm Hg; **and**
    a. Dependent edema suggesting congestive heart failure;
    b. Pulmonary hypertension or cor pulmonale, determined by measurement of pulmonary artery pressure, gated blood pool scan, echocardiogram, or "P" pulmonale on EKG (P wave greater than 3 mm in standard leads II, III, or AVF); **or**
    c. Erythrocythemia with a hematocrit greater than 56 percent; or

Initial coverage of Group II home oxygen therapy is limited to 3 months or the treating physician-specified length of need for oxygen, whichever is shorter.

- Group III criteria:
  - Arterial oxygen saturation at or above 90 percent; **or**
  - Arterial PO2 at or above 60 mm Hg.

Home oxygen items and equipment may be covered for patients who are enrolled subjects in the following clinical trials approved by the Centers for Medicare & Medicaid Services (CMS):

- Long term oxygen therapy – Patients in this clinical trial sponsored by the National Heart, Lung, and Blood Institute, must have an arterial PO_2 from 56 to 65 mm Hg or an oxygen saturation at or above 89 percent; and
- Cluster headaches – Patients in this clinical trial are treated for cluster headaches when they have had at least five very severe unilateral headache attacks lasting 15-180 minutes when untreated.

Required Face-to-Face Encounter

As a condition for payment, the Affordable Care Act requires that one of the following treating practitioners perform a face-to-face examination with the patient:

- A physician (medical doctor, doctor of osteopathy, or doctor of podiatric medicine);
- A nurse practitioner (NP);
- A clinical nurse specialist (CNS); or
- A physician assistant (PA).

The following face-to-face encounter requirements must be met:

- The treating physician must perform an in-person examination with the patient on or before the date of the Written Order (Prescription) Prior to Delivery (WOPD) and within the 6 months prior to date of the WOPD. It must also be on or before the date of delivery for the item(s) prescribed (see the WOPD section on pages 6 and 7 for more information about the WOPD);
- The examination must document that the patient was evaluated and/or treated for a condition that supports the need for the order for item(s) of durable medical equipment (DME); and
- A new face-to-face examination must be performed each time you order a new prescription for one of the specified items.

Medicare requires a new prescription:

- For all claims for payment of purchases or initial rentals for items not originally covered (reimbursed) by Medicare Part B. Claims for items obtained outside of Medicare Part B (from another payer prior to Medicare participation, including Medicare Advantage plans) are considered new initial claims for Medicare payment purposes;
- When there is a change in the prescription for the accessory, supply, or drug;
- If an LCD requires periodic prescription renewal (such as a new prescription is required on a scheduled or periodic basis);
- When an item is replaced; and
- When the supplier changes.

Medical Record

The medical record must:

- Contain sufficient documentation of the patient's medical condition to substantiate the need for oxygen therapy in the home, including the type and quantity ordered and frequency of use, and meet LCD requirements;
- Support the patient's continued need for both oxygen therapy in the home and use of oxygen equipment; and
- Substantiate information you provide on the Certificate for Medical Necessity, CMS-484 – Oxygen (also known as the CMN for Oxygen).

You should include the following patient information in the medical record:

- Diagnosis;
- Duration of condition;
- Clinical course (worsening or improving);
- Prognosis;
- Results of the blood gas study, either printed data from the test or written in the notes;
- If portable oxygen is needed, an indication that he or she is mobile within the home;
- Nature and extent of functional limitations;
- Other therapeutic interventions and results;
- Past experience with related items; and
- Other pertinent information.

WOPD

Treating Physician Responsibilities – WOPD

After the face-to-face encounter, the treating physician (physician, NP, CNS, or PA) must complete an electronic, photocopy, facsimile image, or hard copy WOPD, which is a standard Medicare Detailed Written Order. Documentation of the face-to-face examination and the WOPD must be in the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) supplier's possession **before** the supplier delivers the oxygen items and equipment. The WOPD must include all of the following items:

- Patient's name;
- Physician's name;
- Date of the order and start date, if start date is different from date of the order;
- Detailed description of the item(s);
- The prescribing practitioner's National Provider Identifier (NPI);
- The signature of the ordering practitioner (the treating physician who performs the face-to-face examination does not need to be the prescriber of the order for the DME item. However, the prescriber must have knowledge and documentation of the face-to-face examination that was performed); and
- Signature date.

For any specified items furnished on a periodic basis, including drugs, the written order must also include:

- Items to be dispensed;
- Dosage or concentration, if applicable;
- Route of administration, if applicable;
- Frequency of use;

- Duration of infusion, if applicable;
- Quantity to be dispensed; and
- Number of refills, if applicable.

An employee of the physician may complete the WOPD; however, the physician must review, sign, and date it.

A NP or CNS may complete, sign, and date the WOPD provided he or she:

- Is practicing independently of a physician;
- Is treating the patient for the condition for which the items are needed;
- Bills Medicare for other covered services using his or her own NPI; and
- Is permitted to perform the three items listed above in the State in which the services are furnished.

A PA may complete, sign, and date the WOPD provided he or she:

- Meets the definition of a PA as found in Section 1861(aa)(5)(A) of the Social Security Act;
- Is treating the patient for the condition for which he or she needs the items;
- Is practicing under the supervision of a medical doctor or a doctor of osteopathy;
- Has his or her own NPI; and
- Is permitted to perform services in accordance with State law.

The treating physician may complete a CMN for Oxygen in lieu of a WOPD provided it meets all of the requirements in this section.

Supplier Responsibilities – WOPD

The following responsibilities apply to suppliers:

- You must have documentation of both the face-to-face examination and the completed WOPD in your file prior to delivering oxygen items and equipment to a patient;
- You must indicate the date of receipt of both documentation of the face-to-face examination and the completed WOPD, which includes the physician's signature and signature date, with a date stamp or similar stamp (we recommend separately date-stamping these documents to avoid any confusion on their receipt dates); and
- You must ensure that you maintain the WOPD or CMN for Oxygen in the medical record.

If you deliver oxygen items or equipment prior to receipt of the WOPD (even if a WOPD is subsequently obtained), payment will not be made for such items or equipment. If an unrelated supplier who has obtained a WOPD prior to delivery subsequently furnishes similar items or equipment, the items or equipment may be covered. You are responsible for obtaining and maintaining documentation which indicates that Medicare coverage criteria for oxygen items and equipment are met.

CMN for Oxygen

The CMN for Oxygen is a form that is required to help document the medical necessity and other coverage criteria for oxygen. For payment to be made on a home oxygen claim, the information in the supplier's records or the patient's medical record that the ordering physician maintains must substantiate the information in the CMN.

You may submit the CMN for Oxygen electronically provided:

- It adheres to all privacy, security, and electronic signature rules and regulations published by CMS and the Department of Health and Human Services;
- It contains identical questions/wording, the same sequence, the same pagination, and identical instructions/definitions as those printed on the back of the hard copy form;
- The question sets are not combined; and
- You maintain a hard copy document on file.

You may not charge a fee for completing a CMN for Oxygen. Any costs associated with completing the form is considered a service to the patient and is included in the fee for service.

For more information about the CMN for Oxygen, refer to Chapter 5 of the "Medicare Program Integrity Manual" (Publication 100-08) located at http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/pim83c05.pdf on the CMS website. To access the CMN for Oxygen form, visit http://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/downloads/cms484.pdf on the CMS website.

Supplier Responsibilities – CMN for Oxygen

The supplier completes Sections A and C of the CMN for Oxygen. You should include the following information in these sections:

- Patient, supplier, and treating physician identifying information;
- Procedure codes for items, accessories (transtracheal catheters, cannulas, tubing, mouthpieces, face tent, masks, oxygen conserving devices, oxygen tent, humidifiers, nebulizer for humidification, regulators, and stand/rack), and options ordered;
- Place of service and facility, as appropriate;
- Narrative description of the items, accessories, and options ordered such as the means of oxygen delivery (mask, nasal, cannula), specifics of varying flow rates, and noncontinuous use of oxygen;
- Your charge; and
- The fee schedule (FS) allowance.

Before you give the CMN for Oxygen to the treating physician, you must include information related to the last three bullets at the bottom of page 8. You are subject to a Civil Monetary Penalty (CMP) up to $1,000 for each form that you distribute without this information. You may not complete Section B of the CMN for Oxygen and are subject to a CMP up to $1,000 for each form that you complete and distribute with this information.

If a patient voluntarily or involuntarily enrolls in Fee-For-Service (FFS) Medicare and he or she began oxygen therapy while covered under a Medicare Health Maintenance Organization (HMO), you must obtain and submit the most recent blood gas study conducted under that plan.

If you wish, you may communicate the following information to the treating physician via a CMN cover letter:

- CMS or DME Medicare Administrative Contractor (MAC) regulation or policy changes;
- Brief descriptions of the items, accessories, and options ordered; and
- Changes in the patient's regimen.

Treating Physician Responsibilities – CMN for Oxygen

The treating physician, NP, CNS, PA, physician employee, or another clinician who is involved in the care of the patient (such as a nurse or respiratory therapist) may complete Section B of the CMN. If someone other than the physician or another practitioner who is permitted to sign orders completes Section B, that individual must enter his or her name, title, and employer at the end of Section B. The treating physician or practitioner must review the answers to ensure that they are correct and to make changes as needed.

You should include the following information in Section B:

- Estimated length of need for oxygen;
- The diagnosis code that represents the primary reason for ordering the item and additional codes that further describe the patient's medical need;
- Patient's clinical information; and
- The physician employee's or another clinician's identifying information, if he or she completes Section B.

If a physician employee or another clinician completes Section B, the treating physician must confirm the order by signing in Section D. Your signature must be hand written, a facsimile of an original signature, or an electronic signature (signature and date stamps are not acceptable). The Signature Date is when you sign and date Section D. It might not be the same as the Initial Date, which is either the specific date you give as the start of medical necessity or date of the order if a specific start date is not given. The date of the order is when you contact the supplier (for verbal orders) or the date entered (for written orders).

For patients whose blood gas study values meet Group III criteria, you must provide additional documentation to justify the oxygen order, including a summary of other, more conservative therapy that did not relieve the patient's condition.

When the patient's condition and need for oxygen therapy change, a revised CMN for Oxygen should be submitted as soon as possible (see the Revised CMN section on page 13 for more information about submitting this form).

Initial CMN for Oxygen

The chart below provides the requirements for submitting an initial CMN for Oxygen.

Submit Form…	Blood Gas Study Testing Requirements	Physician Visit Requirements
1) With the initial claim for home oxygen therapy, even if the patient was on oxygen therapy prior to Medicare eligibility or oxygen was initially covered by a HMO. 2) During the first 36 months of the rental period, when a change in the patient's condition causes a break-in-medical necessity of at least 60 days plus whatever days remain in the rental month during which the oxygen need ended (don't include breaks-in-billing).	Provide most recent test results completed within 30 days prior to the Initial Date. An exception applies to the 30-day test requirement: provide the most recent qualifying test obtained while the patient was covered under the HMO.	The patient must be seen and evaluated by the treating physician within 30 days prior to the date of Initial Certification.
3) When equipment is replaced because the reasonable useful lifetime (RUL) was reached. 4) When equipment is replaced because of a specific incident of damage beyond repair (equipment is dropped or broken, fire, flood) or item is lost or stolen.	A repeat test is not required. Provide most recent qualifying test results and date completed. It does not have to be completed within 30 days prior to the Initial Date. You may report testing results from most recent prior CMN for Oxygen.	A physician visit is not required.

Recertification CMN for Oxygen

The chart below provides the requirements for submitting a recertification CMN for Oxygen.

Submit Form…	Blood Gas Study Testing Requirements	Physician Visit Requirements
Twelve months after Initial Certification (with the 13th month's claim) for patients whose blood gas study values meet Group I criteria following Initial Certification for situations 1) and 2) shown in the Initial CMN for Oxygen chart on page 10. Include the following information: • Date of current oxygen order; • Name of the provider who completed the most recent blood gas study prior to recertification date; • The patient's most recent qualifying blood gas study values completed prior to recertification date; • Estimated length of need for oxygen; and • Details of current oxygen order.	Repeat test prior to the 13th month of oxygen therapy.	The patient must be seen and re-evaluated by the treating physician within 90 days prior to date of any Recertification. For a home health patient, the attending physician must certify that retesting results establish continuing medical necessity for home oxygen therapy. Coverage will resume beginning on date of encounter if: • Encounter occurs after the 90-day window; and • The patient continues to use oxygen.

Submit Form…	Blood Gas Study Testing Requirements	Physician Visit Requirements
Three months after Initial Certification (with the 4th month's claim) for patients whose blood gas study values meet Group II criteria following Initial Certification for situation 1) shown in the Initial CMN for Oxygen chart on page 10. Include the following information: • Date of current oxygen order; • Name of the provider who completed the most recent blood gas study prior to recertification date; • The patient's most recent qualifying blood gas study values completed prior to recertification date; • Estimated length of need for oxygen; and • Details of current oxygen order.	Repeat test between the 61st and 90th day following Initial Certification. If qualifying test is not completed between the 61st and 90th day of home oxygen therapy, coverage will resume on date of test if: • Test results meet Group I or Group II criteria; and • The patient continues to use oxygen.	The patient must be seen and re-evaluated by the treating physician within 90 days prior to date of any Recertification. For a home health patient, the attending physician must certify that retesting results establish continuing medical necessity for home oxygen therapy. Coverage will resume beginning on date of encounter if: • The encounter occurs after the 90-day window; and • The patient continues to use oxygen.
When equipment is replaced following Initial Certification for situations 3) and 4) shown in the Initial CMN for Oxygen chart on page 10. If you submit a Revised CMN for Oxygen, you must ensure that the requirements for a Recertification CMN for Oxygen are also met.	A repeat test is not required. Provide most recent qualifying test results and date completed. The test does not have to be completed within 30 days prior to the Initial Date. May report testing results from most recent prior CMN for Oxygen.	A physician visit is not required.

Revised CMN for Oxygen

The chart below provides the requirements for submitting a revised CMN for Oxygen.

Submit Form…	Blood Gas Study Testing Requirements	Physician Visit Requirements
When the prescribed maximum flow rate changes from one of the following categories to another: a) Less than 1 liter per minute (LPM); b) 1-4 LPM; or c) Greater than 4 LPM. When the length of need expires, if the physician specified less than lifetime length of need on the most recent CMN.	Test must be the most recent study completed within 30 days prior to the Initial Date.	A physician visit is not required.
When a portable oxygen system is added subsequent to Initial Certification of a stationary system.	A repeat test is not required unless the initial qualifying test was completed during sleep, in which case a repeat test must be completed while patient is at rest (awake) or during exercise within 30 days prior to the Revised Date.	A physician visit is not required.
When a stationary system is added subsequent to Initial Certification of a portable system.	A test is not required.	A physician visit is not required.
When there is a new treating physician, and the oxygen order remains the same or when there is a new supplier who does not have the prior CMN for Oxygen. You do not have to submit form with the claim. If indications for a Revised CMN for Oxygen are met at the same time a Recertification CMN for Oxygen is due, submit a Recertification CMN for Oxygen.	A test is not required.	A physician visit is not required.

CRITERIA YOU MUST MEET TO FURNISH OXYGEN ITEMS AND EQUIPMENT FOR HOME USE

The chart below provides the criteria suppliers must meet to furnish oxygen items and equipment for home use during the initial 36 months, months 37-60, and months 61 and after.

	Initial 36 Months	Months 37-60	Months 61 and After
Equipment	• If you furnish oxygen equipment and related items and services for the first month, you must continue to furnish any necessary oxygen equipment and all related items and services through the 36-month rental period, unless one of the following exceptions is met: o The patient relocates temporarily or permanently outside the supplier's service area; o The patient elects to obtain oxygen equipment from a different supplier; o The item becomes subject to competitive bidding; or o Certain exceptions granted by CMS or the DME MAC (for example, in emergency situations); • Reimbursement for oxygen equipment is limited to 36 monthly rental payments. Payment for accessories (such as cannulas and tubing), delivery, back-up equipment, maintenance, and repairs is included in the rental allowance;	• No further payment for oxygen equipment will be made during the 5-year RUL after 36 rental payments are made. If use of portable oxygen begins after use of stationary equipment begins, portable oxygen equipment payment can continue until 36 rental payments are made for the portable equipment; • If you furnish equipment, accessories, contents (if applicable), maintenance, and repair of oxygen equipment during the 36th rental month, you must continue to furnish such during the 5-year RUL of the equipment; • If you furnish different oxygen equipment/modalities, refer to the criteria in the Initial 36 Months column as such criteria remains in effect; • A new 36-month rental period can begin only if there is a specific incident of damage to	• At any time after the end of the RUL for oxygen equipment, the patient may elect to receive new equipment. A new 36-month rental period will begin; • If the patient does not elect to receive new equipment after the end of the 5-year RUL and you retain title to the equipment, refer to criteria in the Months 37-60 column as such criteria remains in effect. No separate payment will be made for accessories or repairs. Payment will continue for oxygen contents if the patient used gaseous or liquid oxygen equipment during the 36th rental month; • If the patient does not elect to receive new equipment after the end of the 5-year RUL and you transfer title of equipment to the patient, Medicare does not cover accessories, maintenance, and repairs.

	Initial 36 Months	Months 37-60	Months 61 and After
Equipment	• Payment for stationary equipment is increased for patients who require greater than 4 LPM of oxygen flow and is decreased for patients who require less than 1 LPM. Payment will be made for the stationary system at the higher allowance for patients who qualify for greater than 4 LPM of oxygen and also meet requirements for portable oxygen; however, payment for the portable system will not be made; • The RUL for stationary and/or portable equipment begins on initial date of service (DOS) on claim and does not take into account exchanges of equipment, new suppliers, or changes of modality (concentrator, gaseous, liquid); • A new 36-month rental period can begin only in the following situations: o A break-in-need, which occurs if need/use of oxygen ends for more than 60 days plus the remainder of the rental month of discontinuation and new medical necessity is established; or o A specific incident of damage to oxygen equipment beyond repair (equipment is dropped or broken, fire, flood) or the item is lost or stolen;	oxygen equipment beyond repair (equipment is dropped or broken, fire, flood) or item is lost or stolen; and • A new 36-month rental period does not begin in the following situations: o Replacing equipment due to malfunction, wear and tear, routine maintenance, or repair; o Providing different equipment based on a physician order or a patient request for an upgrade; o Break-in-need, which occurs if need/use of oxygen ends for more than 60 days plus the remainder of the rental month of discontinuation and new medical necessity is established; o Break-in-billing; or o Changing suppliers.	Payment will be made separately for oxygen contents for patient-owned gaseous or liquid systems; and • If the patient enters Medicare FFS with patient-owned equipment, Medicare does not cover accessories, maintenance, and repairs. Payment will be made separately for oxygen contents for patient-owned gaseous or liquid systems.

	Initial 36 Months	Months 37-60	Months 61 and After
Equipment	• A new 36-month rental period does not begin in the following situations: o Replacing equipment due to malfunction, wear and tear, routine maintenance, or repair; o Providing different equipment based on a physician order or a patient request for an upgrade; o Break-in-need less than 60 days plus the days remaining in the month of discontinuation (payment resumes where it left off); o Break-in-billing, which occurs when there is a break in billing/Part B payment without a break-in-medical necessity when the patient: - Enters a hospital or skilled nursing facility; - Joins a Medicare HMO; - Returns home; or - Rejoins Medicare FFS; o Changing suppliers; and • You cannot furnish different oxygen equipment/modalities (concentrator [stationary or portable], gaseous, liquid, transfilling equipment) unless one of the following requirements is met:		

	Initial 36 Months	Months 37-60	Months 61 and After
Equipment	o The supplier replaces the equipment with the same or an equivalent item; o The physician orders different equipment; o The patient chooses to receive an upgrade and signs an ABN; or o CMS or the DME MAC determine that a change in equipment is warranted.		
Oxygen Contents	• Payment for stationary and portable oxygen contents is included in the FS allowance for stationary equipment. No payment will be made for oxygen contents in a month in which payment is made for stationary equipment; • If the patient used stationary gaseous or liquid oxygen during the 36th rental month, payment for stationary contents begins when the rental period for stationary equipment ends; • If the patient used portable gaseous or liquid equipment during the 36th rental month of stationary equipment, payment for portable contents begins when the rental period for stationary equipment ends. If the patient began using portable gaseous or liquid equipment after starting on stationary equipment,	• Refer to criteria in the Initial 36 Months column as such criteria remains in effect; • After the 36-month rental period, bill oxygen contents on the anniversary date of oxygen equipment billing (or DOS), in quantities expected to last for 1 month; • Before dispensing refills, contact the patient no sooner than 14 calendar days before delivery date to: o Ensure that the refilled item remains reasonable and necessary; o Ensure that existing supplies are approaching exhaustion; and o Confirm any changes to the order; • Contact the treating physician to verify that any changed or atypical use is warranted;	• Refer to criteria in the Months 37-60 column as such criteria remains in effect.

	Initial 36 Months	Months 37-60	Months 61 and After
Oxygen Contents	payment for the portable equipment will continue until the end of the 36-month rental period for that equipment; • If the patient used both stationary and portable gaseous equipment or portable equipment during the 36th month of stationary equipment, payment for both stationary and portable contents begins when the rental for stationary equipment ends; • If the patient used only portable gaseous or liquid equipment and not stationary equipment during months 1-36 of portable equipment rental, payment for portable contents begins when the portable equipment rental period begins. If stationary equipment is subsequently added, separate payment for portable contents ends since payment for contents is included in the payment for stationary equipment; • Contents may be covered if the patient did not use gaseous or liquid equipment (stationary or portable) in the 36th month, but was subsequently switched to gaseous or liquid oxygen based on a physician order;	• Deliver refills in a quantity that does not exceed the patient's expected use, no sooner than 10 calendar days before end of usage for current product; and • Obtain a delivery slip for the actual delivery date.	

	Initial 36 Months	Months 37-60	Months 61 and After
Oxygen Contents	• When payment for content begins, payment will only be made for portable liquid contents if the patient has a stationary concentrator, portable liquid equipment, and a stationary liquid tank to fill portable cylinders; • You must provide whatever quantity of oxygen contents are needed for the patient's activities both inside and outside the home. Oxygen content payments are the same for patients who receive more than 4 LMP and less than 1 LPM; and • A maximum or 3 months of oxygen contents may be delivered at any one time. You may bill no more than 1 unit of service (UOS) for stationary contents and/or 1 UOS for portable contents per month.		
Maintenance of Equipment	• No separate payment is made for maintenance and servicing (M&S).	• If the patient used a stationary concentrator, portable concentrator, or transfilling equipment during the 36th rental month, Medicare pays for an M&S visit no more often than every 6 months, beginning no sooner than 6 months following the end of the rental period. If the equipment is covered under a warranty that covers labor related to routine/general M&S	• If the patient elects not to replace a concentrator or transfilling equipment and you retain ownership of the equipment, refer to M&S criteria in the Months 37-60 column as such criteria remains in effect; and • If the patient elects not to replace a concentrator or transfilling equipment and if you transfer title to the patient, Medicare does not cover M&S.

	Initial 36 Months	Months 37-60	Months 61 and After
Maintenance of Equipment		(inspection, changing filters, cleaning, and calibration), payment for the first M&S visit can be no sooner than 6 months after the end of that warranty; • You must actually make a visit to bill for the service. If you make multiple M&S visits during a 6-month period, only one visit will be paid; and • No M&S payment will be made for gaseous or liquid equipment.	
Relocation and Travel	• If the patient relocates outside your service area (either short-term travel, extended temporary relocation, or permanent relocation), for the remainder of the rental month for which you bill, you must either furnish the equipment and related items/services yourself or make arrangements with a different supplier to provide the equipment and related items/services; • For subsequent rental months that the patient is outside the service area, you may either provide the equipment and items/services or assist the patient in finding another supplier in the new location; • You may not bill for or be reimbursed by Medicare if you do not furnish the oxygen equipment or have not made arrangements	• If the patient relocates outside your service area, you must either furnish the equipment and related items/services yourself or make arrangements with a different supplier to provide the equipment and related items/services.	• If the patient relocates outside your service area, you must either furnish the equipment and related items/services yourself or make arrangements with a different supplier to provide the equipment and related items/services.

	Initial 36 Months	Months 37-60	Months 61 and After
Relocation and Travel	with a different supplier to furnish the equipment on the anniversary billing date; and • Medicare pays only one supplier to furnish oxygen during any one rental month.		

THE ABN

Suppliers must give written notice to a FFS Medicare patient before furnishing items or equipment that are usually covered by Medicare but are not expected to be paid in a specific instance, for certain reasons such as lack of medical necessity. The ABN, Form CMS-R-131, is approved for this purpose. DME suppliers have additional requirements for issuance of an ABN. For more information about the additional requirements DME suppliers must meet for issuance of an ABN, refer to Chapter 30, Section 50, of the "Medicare Claims Processing Manual" located at http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c30.pdf on the CMS website.

The ABN allows the patient to make an informed decision about whether or not to get the item or service that may not be covered and accept financial responsibility if Medicare does not pay. If the patient does not get written notice when it is required, he or she may not be held financially liable if Medicare denies payment. If you properly notify the patient that the item or service may not be covered and the patient agrees to pay, you may seek payment from the patient. You must keep a copy of the ABN in the medical record, and give the patient a copy.

You are not required to notify the patient before you provide an item or service that Medicare never covers or is not a Medicare benefit. You may, however, choose to issue a voluntary ABN or a similar notice as a courtesy to alert the patient about his or her forthcoming financial liability. When you issue the ABN as a voluntary notice, it has no effect on financial liability, and the patient is not required to check an option box or sign the notice.

OXYGEN EQUIPMENT, ITEMS, AND SERVICES THAT ARE NOT COVERED

The following oxygen equipment, items, and services are not covered as DME under the Medicare Program:

- Accessories, maintenance, and repairs of patient-owned oxygen;
- Oximeters and replacement probes;
- Oxygen items or services furnished or used outside the United States and its territories;

- Oxygen services furnished by an airline; and
- Respiratory therapist services.

PAYMENT FOR OXYGEN ITEMS AND EQUIPMENT

The supplier is paid for oxygen items and equipment for home use as follows:

- The Part B DMEPOS FS – Payment is based on a comprehensive list of covered items and equipment and their payment rates for the patient who does not live in a competitive bidding area (CBA);
- The DMEPOS Competitive Bidding Program – The patient who resides in a DMEPOS CBA may obtain replacement of both the stationary and portable oxygen systems only from a contract supplier who has a competitive bidding contract for the CBA in which the patient permanently resides; or
- The Regional Home Health Intermediary (RHHI) – For a home health patient, the Home Health Agency and supplier may submit claims to the RHHI.

As of January 1, 2011, if the patient resides in the CBA, a grandfathered supplier for oxygen and other grandfathered equipment suppliers cannot furnish replacement equipment once the end date of the RUL of stationary equipment is reached. If the grandfathered supplier changes to a contract supplier for the current round of the competitive bidding program, it may continue to furnish oxygen equipment that has not yet reached the 36-month rental cap. For more information about grandfathered supplier requirements, refer to the Medicare Learning Network® (MLN) publication titled "The Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program Grandfathering Requirements for Non-Contract Suppliers" located http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/DME_Grandfathering_Factsheet_ICN900923.pdf on the CMS website.

Medicare payment for oxygen equipment is limited to 36 monthly rental payments. Payment for accessories (such as cannulas and tubing), delivery back-up equipment, maintenance, and repairs is included in the rental amount for stationary oxygen equipment. Payment for oxygen contents during the equipment's 36-month rental period is included in the payment for the stationary equipment. A portable oxygen equipment add-on is payable when portable oxygen is prescribed and determined to be medically necessary in accordance with Medicare coverage requirements. After the 36th month of rental, separate payment may be made for stationary and portable oxygen contents.

Payment for stationary equipment is increased for patients who require greater than 4 LPM of oxygen flow and is decreased for patients who require less than 1 LPM. If a patient qualifies for additional payment for greater than 4 LPM of oxygen and also meets the requirements for portable oxygen, payment will be made for the stationary system at the higher allowance, but payment will not be made for the portable system. In this situation, if both a stationary system and a portable system are billed for the same rental month, the portable oxygen system will be denied as not separately payable.

BILLING AND CODING GUIDELINES

Before submitting a claim for home oxygen therapy items and equipment, the supplier must have the following on file:

- A verbal order, if applicable;
- A WOPD;
- A CMN for Oxygen;
- An ABN, if applicable;
- Patient authorization;
- Proof of delivery; and
- Information required for the use of specific modifiers or attestation statements.

The DOS on the claim must not precede the Initial Date on the CMN for Oxygen or the start date on the WOPD. To ensure that an item is still medically necessary, the DOS must be within 3 months of the Initial Date on the CMN for Oxygen or within 3 months of when the treating physician signed and dated the WOPD or CMN.

The chart below provides home oxygen Healthcare Common Procedure Coding System (HCPCS) codes, descriptions, and coding and billing information.

Home Oxygen HCPCS Codes, Descriptions, and Coding and Billing Information

HCPCS Code	Description	Coding and Billing Information
E1390	Oxygen concentrator, single delivery port	**Stationary Oxygen Equipment and Oxygen** To denote adjustments in the LPM of oxygen: • Use modifier QE if the prescribed flow rate is less than 1 LPM; and • Use modifier QG if the prescribed flow rate is greater than 4 LPM. Do not use modifiers with codes for portable systems or oxygen contents.

HCPCS Code	Description	Coding and Billing Information
E1391	Oxygen concentrator, dual delivery port	**Stationary Oxygen Equipment and Oxygen** When used by two patients, use code to bill for only one patient. To denote adjustments in the LPM of oxygen: • Use modifier QE if the prescribed flow rate is less than 1 LPM; and • Use modifier QG if the prescribed flow rate is greater than 4 LPM. Do not use modifiers with codes for portable systems or oxygen contents.
E1392	Portable oxygen concentrator, rental	**Oxygen Generating Portable Equipment (OGPE)** If all required criteria are met and concentrator is also capable of functioning as a stationary concentrator operating 24 hours a day, 7 days per week, bill with code E1390.
E1405	Oxygen and water vapor enriching system with heated delivery	Use code to bill for products for which written coding verification is received from the Pricing, Data Analysis and Coding (PDAC) Contractor.
E1406	Oxygen and water vapor enriching system without heated delivery	Use code to bill for products for which written coding verification is received from the PDAC Contractor.
E0424	Stationary compressed gaseous oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing	**Stationary Oxygen Equipment and Oxygen** To denote adjustments in the LPM of oxygen: • Use modifier QE if the prescribed flow rate is less than 1 LPM; and • Use modifier QG if the prescribed flow rate is greater than 4 LPM. Do not use modifiers with codes for portable systems or oxygen contents.
E0431	Portable gaseous oxygen system, rental; includes portable container, regulator, flowmeter, humidifier, cannula or mask, and tubing	**Portable Oxygen Equipment**

HCPCS Code	Description	Coding and Billing Information
E0433	Portable liquid oxygen system, rental; home liquefier used to fill portable liquid oxygen containers, includes portable containers, regulator, flowmeter, humidifier, cannula or mask and tubing, with or without supply reservoir and contents gauge	**OGPE** May be integrated into stationary concentrator or a separate component. Do not use with code E0434.
E0434	Portable liquid oxygen system, rental; includes portable container, supply reservoir, humidifier, flowmeter, refill adaptor, contents gauge, cannula or mask, and tubing	**Portable Oxygen Equipment**
E0439	Stationary liquid oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing	**Stationary Oxygen Equipment and Oxygen** To denote adjustments in the LPM of oxygen: • QE – If the prescribed flow rate is less than 1 LPM; and • QF – If the prescribed flow rate is greater than 4 LPM. Do not use modifiers with codes for portable systems or oxygen contents.
E0441	Stationary oxygen contents, gaseous, 1 month's supply = 1 unit	Code represents furnishing oxygen contents for 1 month.
E0442	Stationary oxygen contents, liquid, 1 month's supply = 1 unit	Code represents furnishing oxygen contents for 1 month.
E0443	Portable oxygen contents, gaseous, 1 month's supply = 1 unit	Code represents furnishing oxygen contents for 1 month.
E0444	Portable oxygen contents, liquid, 1 month's supply = 1 unit	Code represents furnishing oxygen contents for 1 month.
K0738	Portable gaseous oxygen system, rental; home compressor used to fill portable oxygen cylinders; includes portable containers, regulator, flowmeter, humidifier, cannula or mask, and tubing	**OGPE** May be integrated into stationary concentrator or a separate component. Do not use with code E0431.

RESOURCES

The chart below provides resources for home oxygen therapy.

For More Information About…	Resource
Home Oxygen Therapy	Oxygen and Oxygen Equipment Local Coverage Determinations located at http://www.cms.gov/medicare-coverage-database/overview-and-quick-search.aspx on the CMS website Chapter 15 of the "Medicare Benefit Policy Manual" (Publication 100-02) located at http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c15.pdf on the CMS website Chapter 1 of the "Medicare National Coverage Determinations (NCD) Manual" (Publication 100-03) located at http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/ncd103c1_Part1.pdf on the CMS website Chapter 20 of the "Medicare Claims Processing Manual" (Publication 100-04) located at http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c20.pdf on the CMS website
Documentation Requirements	Chapter 5 of the "Medicare Program Integrity Manual" (Publication 100-08) located at http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/pim83c05.pdf on the CMS website Chapter 6 of the "Medicare Program Integrity Manual" (Publication 100-08) located at http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/pim83c06.pdf on the CMS website
Advance Beneficiary Notice of Noncoverage	http://www.cms.gov/Medicare/Medicare-General-Information/BNI/ABN.html on the CMS website
DMEPOS Fee Schedule	http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSFeeSched/DMEPOS-Fee-Schedule.html on the CMS website

For More Information About…	Resource
DMEPOS Competitive Bidding	http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSCompetitiveBid/index.html on the CMS website MLN publication titled "The Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program – A Better Way to Pay for Medical Equipment" located at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/DMEPOSCompBidProg.pdf on the CMS website
Home Health	http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HomeHealthPPS on the CMS website Chapter 10 of the "Medicare Claims Processing Manual" (Publication 100-04) located at http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c10.pdf on the CMS website
Durable Medical Equipment Medicare Administrative Contractor Contact Information	http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/index.html on the CMS website
Pricing, Data Analysis and Coding Contractor	https://www.dmepdac.com on the Noridian Healthcare Systems website
All Available MLN Products	"MLN Catalog" located at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/MLNCatalog.pdf on the CMS website
Provider-Specific Medicare Information	MLN publication titled "MLN Guided Pathways: Provider Specific Medicare Resources" located at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNEdWebGuide/Downloads/Guided_Pathways_Provider_Specific_Booklet.pdf on the CMS website
Medicare Information for Patients	http://www.medicare.gov on the CMS website

This booklet was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

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