

# UNIFORM MANAGED CARE MANUAL

## 16.9 Durable Medical Equipment (DME)

### Version 2.0

#### DOCUMENT HISTORY LOG

STATUS <sup>1</sup>	DOCUMENT REVISION <sup>2</sup>	EFFECTIVE DATE	DESCRIPTION <sup>3</sup>
Baseline	2.0	January 1, 2024	Initial version Uniform Managed Care Manual Chapter 16.9, "Durable Medical Equipment (DME)."
Revision			

- <sup>1</sup> Status should be represented as "Baseline" for initial issuances and "Revision" for changes to the Baseline version.
- <sup>2</sup> Revisions should be numbered according to the version of the issuance and sequential numbering of the revision—e.g., "2.2" refers to the first version of the document and the second revision.
- <sup>3</sup> Brief description of the changes to the document made in the revision.

**I. Applicability:**

This chapter applies to Medicaid managed care organizations (MCO) participating in the STAR, STAR+PLUS, Medicare-Medicaid Dual Demonstration, STAR Kids, and STAR Health programs. The term “MCO” includes health maintenance organizations (HMOs), exclusive provider organizations (EPOs), insurers, Medicare-Medicaid plans (MMPs), and any other entities licensed or approved by the Texas Department of Insurance. While there is no single authority, such as a federal agency, that confers the official status of “Durable Medical Equipment (DME)” on any device or product, HHSC retains the right to make such determinations regarding Texas Medicaid DME benefits.

**II. Purpose:**

The purpose of this chapter is to serve as guidance for the MCOs regarding DME, a covered service under the managed care contracts, and to consolidate the requirements set forth in 42 C.F.R. § 440.70.

**III. Definitions:**

For purposes of this chapter only, the following terms have the same meanings as defined in 1 Texas Administrative Code §354.1031(b) as assigned below, unless the context clearly indicates otherwise:

- A. Allowed Practitioner** – means an individual that maintains a valid and registered prescriptive authority agreement in accordance with Texas Occupations Code, Chapter 157, Subchapter B; and is a physician assistant (PA) licensed in Texas under Texas Occupations Code Chapter 204 or an advanced practice registered nurse licensed by the Texas Board of Nursing as a certified nurse practitioner or a clinical nurse specialist.
- B. Durable Medical Equipment (DME)** – means equipment and appliances that are primarily and customarily used to serve a medical purpose, generally are not useful to an individual in the absence of a disability, illness or injury, can withstand repeated use, and can be reusable or removable.
- C. Medical Supplies** - means health care related items that are consumable or disposable or cannot withstand repeated use by more than one individual, that are required to address an individual medical disability, illness or injury.
- D. Plan of Care** – means a written regimen established and periodically reviewed by a physician or an allowed practitioner in consultation with home health agency staff, which meets the POC standards at 42 CFR §484.60 and 1 TAC §354.1037.

#### **IV. DME Authorization Request**

DME authorization requests must be submitted to the Member's MCO according to the guidelines specific to the plan under which the Member is covered.

Providers delivering DME via managed care must comply with the guidelines set by each MCO. MCOs can require providers to substantiate medical necessity, and demonstrate compliance with federal, state, and MCO regulations, rules, and policies through documentation they specify or have the discretion to use guidelines outlined in the Texas Medicaid Provider Procedures Manual (TMPPM), Durable Medical Equipment, Medical Supplies, and Nutritional Products Handbook. MCOs are not required to use the Home Health Services (Title XIX) DME/Medical Supplies Prescribing Provider Order Form for this purpose, and may use their own forms, provided the forms include all federally required information.

#### **V. Frequency of DME and Medical Supplies Prior Authorization**

Under Title 42 Code of Federal Regulations (CFR) §440.70 and the Centers for Medicare & Medicaid Services (CMS) Final Rule issued in 81 Federal Register 5529, 5533 (February 2, 2016), an MCO may approve an initial DME prior authorization (PA) for a period of up to six months, at which point the DME provider must submit a request to the ordering physician or Allowed Practitioner for continuation of services if medically necessary, and seek a new authorization from the MCO for a period of up to 12 months.

If there is a change in the Member's status before expiration of the authorization period, the MCO must ensure that the DME provider work with the requesting physician or Allowed Practitioner to modify the plan of care and seek a new authorization or change in authorization.

The period of a DME authorization does not affect the requesting physician or Allowed Practitioner's ability to conduct more frequent assessments of the Member. The frequency of reviewing the need for DME is determined on a case-by-case basis by a requesting physician or Allowed Practitioner based on the nature of the member's condition and the DME item prescribed.

#### **VI. Home Health DME and Medical Supplies Exceptional Circumstances Provision**

The home health DME and supplies exceptional circumstances provision is made available in accordance with Title 42 CFR §440.70. Under the exceptional circumstances provision, MCOs must have a process to consider coverage of medically necessary DME and supplies that are not currently listed as benefits of Texas Medicaid for members who are 21 years of age or older.

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Providers must submit requests for medically necessary DME and supplies not listed as a covered benefit under Texas Medicaid through an MCO's exceptional circumstances process. DME and supplies allowed under the exceptional circumstances provision must be prior authorized by the MCO.

The Home Health DME and Supplies exceptional circumstances provision is not an available process to pursue for members who receive prior authorization denials for medical necessity or technical reasons (e.g., missing essential fields, incomplete documentation).

#### **VII. Mobility Aid Accessories, Modifications, Adjustments, Repairs and Replacements**

All accessories, modifications, adjustments, and repairs of mobility aids are benefits of Texas Medicaid. Equipment replacement is a benefit within five years of the equipment purchase when one of the following occurs:

- A. There has been a significant change in the Member's condition such that the current equipment no longer meets their needs;
- B. The equipment is no longer functional and either cannot be repaired or is not cost-effective to repair; or
- C. Loss or irreparable damage has occurred.

Additional information is available in the TMPPM, Durable Medical Equipment, Medical Supplies, and Nutritional Products Handbook Sections 2.2.17.29 and 2.2.17.30.