

# Contra Costa Health Plan

Utilization Management

**Title: Durable Medical Equipment (DME), Orthotics and Prosthetics**

**Policy #: UM 15.036**

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**Reviewed and approved by Quality Council:**  
**6/9/16, 4/27/17, 12/14/17, 2/28/19, 6/2021**  
**Presented in UM Committee: 5/2022**

## Applies to:

- Medi-Cal  
 BAC

- Medicare  
 State Sponsored

- Commercial  
 All  N/A

## Regulatory/Accreditation:

- DHCS:  
 Other Regulatory Ref: Title 22 Sec 51303

- CMS:  
 NCQA:

- DHCS:  
 N/A

## Units:

- Administration  
 Business Services  
 Marketing  
 Provider Affairs

- Advice Nurses  
 Case Management  
 Member Services  
 Qual Improvement

- All Staff  
 Health Education  
 Planning, Survey, Erg Affairs  
 Auth/Utilization Management

## POLICY

Contra Costa Health Plan (CCHP) may purchase or as appropriate, rent a DME, orthotic or prosthetic (O & P) devices if the item is determined to be medically necessary and considered the lowest cost item to meet the needs of the member.

DME, O & P may be replaced before the benefit limitation is reached when there is documented medical evidence that the current item no longer meets the need of the member or when the lost, stolen, or damaged DME, orthotic or prosthesis devices was NOT due to misuse, negligence, abuse of carelessness by the member/family.

## PURPOSE

To provide general guidelines for the purchase and rental of DME, O & P; and replacement of medically necessary DME, orthotic or prosthetic devices due to circumstances beyond the control of the member such as, but not limited to natural disaster, earthquake, theft, and under normal wear and tear.

Equipment and services are covered in accordance to the member's product line and as described below:

1. Must be obtained from or repaired by a contracted provider.
2. Limited by the following:
  - a. All covered DME items should be the acceptable and standard model, considering the member's medical condition.
  - b. Payment shall not exceed the lowest cost of a piece of equipment or service that is effective and medically necessary.
  - c. CCHP reserves the right to determine if an item will be approved for rental vs. purchase. In general, most DME are initially rented up to purchase price, after which the device is converted to purchase.
  - d. DME items will not be approved which are primarily educational in nature, or for hygiene, vocation, comfort, convenience or recreation unless specifically noted as a covered benefit,
  - e. For broken and if within warranty period OR recalled, UM will work with the DME supplier to ensure that a machine is provided to the member without cost to the member or CCHP. This may include obtaining a loaner from either the DME provider or manufacturer at no cost and/or approving a loaner from the DME provider and working with claims to recuperate the cost from the manufacturer.
  - f. For broken and outside of the warranty period, UM will approve a loaner from the DME supplier while the equipment is being fixed. If the cost of the loaner exceeds the cost of the item, a replacement may be authorized at CCHP's discretion instead.
  - g. For stolen, CCHP shall review for a medical director exception. A police report must be filed and the number of the report/department the report is filed with must be provided for consideration of a medical director exception.

## **Indications when items are covered**

Items which are eligible for coverage include, but are not limited to:

1. Rental, purchase or replacement of eligible equipment may be covered:
  - a. When ordered by a contracting physician; establishing the reason and need for the item.
  - b. If the item requested is evaluated and determined to meet medical necessity criteria for the treatment of an illness, disease or injury as set forth by the Health Plan and/or meets applicable guidelines related to the member's product line and benefit limitations.
  - c. If the item lost, stolen, or significantly damaged beyond repair is determined not the result of negligence by the member/family.
    - i. The review of documentation outlines the circumstances of the loss or destruction and the steps taken to recover the lost item, certifying the loss or damage was beyond the control of the member.
  - d. Replacement is due to normal wear and tear or aging and no abuse is evident. Damage is determined not to be the result of over/excessive usage beyond the intended purpose of the item when originally purchased for the member.
  - e. Replacement of a stolen hearing aid requires a copy of a police report submitted with the authorization request.
  - f. The estimate for repairs is not cost effective and the item has exceeded manufacturer life expectancy or frequency limitations. Repairs (instead of replacement) of equipment may be covered at the discretion of the Health Plan.
2. Rental of medically necessary equipment, while the member's owned equipment is being repaired, is covered for the duration of the repair as discussed above in Purpose 2e&f.. Prior authorization of the rental item will be required only on those items that currently require prior authorization.
3. Requests for replacement DME when existing DME is not broken **requires a physician statement documenting a change in covered person's physical condition, and the rationale for the replacement DME.**

## **Indications when items are not covered**

Items which are not eligible for coverage include, but are not limited to:

1. Replacement or repair of any covered items, if the items are:
  - a. Damaged or destroyed by member misuse, abuse or carelessness
2. Duplicate or similar items.
3. Labor and related charges for repair estimates of any covered items which are more than the cost of replacement by a Health Plan approved vendor.
4. Non-taxable items, mailing, delivery charges, service call charges.
5. Items which are primarily educational in nature or for hygiene, vocation, comfort, convenience or recreation unless specifically noted as a covered benefit.
6. Household equipment which primarily has customary uses other than medical, such as, but not limited to, exercise cycles, air purifiers, central or unit air conditioners, water purifiers, non-allergenic pillows, mattresses or waterbeds.
7. Household fixtures including, but not limited to, escalators or elevators, ramps, swimming pools and saunas.
8. Modifications to the structure of the home including, but not limited to, its wiring, plumbing or charges for installation of equipment with the exception of the CalAIM Asthma Home

9. Other equipment and supplies, including but not limited to assistive devices, that we determine are not eligible for coverage.

## **REFERENCES**

Blue Cross and Blue Shield of North Carolina, Durable Medical Equipment. Retrieved on December 6, 2013 from [http://www.bcbsnc.com/assets/services/public/pdfs/medicalpolicy/durable\\_medical\\_equipment\\_\(dme\).pdf](http://www.bcbsnc.com/assets/services/public/pdfs/medicalpolicy/durable_medical_equipment_(dme).pdf)

Health Partners, Durable Medical Equipment (DME) and Prosthetics (D002-06). Retrieved on December 6, 2013 from <http://www.healthpartners.com/public/coverage-criteria/dme-prosthetics/>