



Provider Inquiry Assistance

Payment for Maintenance and Servicing of Certain Oxygen Equipment as a Result of the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008 - Change Request (CR) 6509 RESCINDS AND FULLY REPLACES CR 6404 – JA6509

Related CR Release Date: May 22, 2009

Date Job Aid Revised: June 10, 2009

Effective Date: July 1, 2009

Implementation Date: July 6, 2009

Key Words	MM6509, CR6509, R497OTN, Payment, Maintenance, Oxygen, MIPPA
Contractors Affected	<ul style="list-style-type: none"> • Regional Home Health Intermediaries (RHHIs) • Part A/B Medicare Administrative Contractors (A/B MACs) • Durable Medical Equipment MACs (DME MACs)
Provider Types Affected	Suppliers submitting claims to Medicare RHHIs, A/B MACs and/or DME MACs for oxygen services provided to Medicare beneficiaries



CR6509 provides additional instructions, regarding maintenance and servicing of oxygen concentrators and transfilling equipment, resulting from implementation of Section 144(b) of MIPPA.

Provider Needs to Know...	<ul style="list-style-type: none"> • The Centers for Medicare & Medicaid Services (CMS) has determined that for services furnished during calendar year 2009, it is reasonable and necessary to make payment for periodic, in-home visits by suppliers to inspect certain oxygen equipment and provide general maintenance and servicing after the 36-month rental cap. • These payments only apply to equipment falling under Healthcare Common Procedure Coding System (HCPCS) codes E1390, E1391, E1392, and K0738, and only when the supplier physically makes an in-home visit to inspect the equipment and provide any necessary maintenance and servicing. • In the case of all oxygen equipment furnished after the 36-month rental cap, the supplier is responsible for performing any repairs or maintenance and servicing of the equipment that is necessary to ensure that the equipment is in good working order for the remainder of the reasonable useful lifetime of the equipment.
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- This includes parts that must be replaced in order for the supplier-owned equipment to continue to function appropriately.
- Payment will not be made for any repairs or maintenance and servicing of oxygen equipment (other than the maintenance and servicing payments described above).
- Suppliers may not charge beneficiaries for any repairs, parts, or servicing of equipment that they are required to furnish for the remainder of the equipment's reasonable useful lifetime.
- Medicare contractors will pay claims with dates of service from July 1, 2009, through December 31, 2009, for maintenance and servicing for oxygen concentrators no more often than every 6 months, beginning 6 months after the end of the 36th month of continuous use, when billed with one of the following HCPCS codes and modifiers:
 - E1390MS;
 - E1391MS; or
 - E1392MS.
- In addition to payment for maintenance and servicing for stationary oxygen concentrators (HCPCS codes E1390 or E1391), Medicare contractors will pay claims with dates of service from July 1, 2009, thru December 31, 2009, for maintenance and servicing for portable oxygen transfilling equipment (HCPCS code K0738). Payment will be made no more often than every 6 months, beginning 6 months after the end of the 36th month of continuous use.
- HCPCS code K0738 must be billed with the HCPCS modifier "MS" to obtain such payment.
- Medicare contractors will not pay for maintenance and servicing of both a portable oxygen concentrator (E1392MS) and portable oxygen transfilling equipment (K0738MS).
- For example, if maintenance and servicing is billed for a column I code in the following table, additional payment for the maintenance and servicing of any of the column II codes should not be made:

Column I	Column II
E1390 MS	E1391 MS, E1392 MS
E1391 MS	E1390 MS, E1392 MS
E1392 MS	E1390 MS, E1391 MS, K0738 MS
K0738 MS	E1392 MS

- For the oxygen equipment codes E1390, E1391, E1392, and K0738, billed with the modifier "MS", Medicare contractors will make maintenance and servicing payments for covered services equal to the lesser of the supplier's actual charge or 2 units of K0739 (for the state in which the in-home visit takes place) every 6 months.

- Medicare contractors will deny claims for maintenance and servicing of oxygen equipment when billed with the HCPCS codes E0424, E0439, E0431, E0434, E1405 or E1406 and the "MS" modifier.
- Program instructions will be issued in the future regarding the continuation of the maintenance and servicing payments for dates of service on or after January 1, 2010.

Background

- Section 144(b) of MIPPA repeals the transfer of ownership provision established by the Deficit Reduction Act (DRA) of 2005 for oxygen equipment and establishes new payment rules and supplier responsibilities after the 36-month payment cap.
- Section 144(b) of MIPPA mandates payment for reasonable and necessary maintenance and servicing of oxygen equipment furnished after the 36-month rental cap.
- The 36-month cap applies to stationary and portable oxygen equipment furnished on or after January 1, 2006. Therefore, the 36-month cap may end as early as January 1, 2009, for beneficiaries using oxygen equipment on a continuous basis since January 1, 2006.
- Earlier instructions pertaining to the MIPPA changes for oxygen equipment were issued as part of CR6297 (Transmittal 421) and CR6296 (Transmittal 443).
- The MLN Matters® articles for these CRs are available at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/mm6297.pdf> and <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6296.pdf>, respectively, on the CMS website.

Operational Impact N/A

Reference Materials

The related MLN Matters® article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6509.pdf> on the CMS website.

The official instruction (CR6509) issued regarding this change may be found at <http://www.cms.hhs.gov/Transmittals/downloads/R497OTN.pdf> on the CMS website.