



Provider Inquiry Assistance

Continuation of Maintenance and Servicing Payments in Calendar Year (CY) 2010 for Certain Oxygen Equipment as a Result of the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008 – JA6716

Related CR Release Date: November 2, 2009

Date Job Aid Revised: November 11, 2009

Effective Date: January 1, 2010

Implementation Date: January 4, 2010

Key Words	CR6716, MM6716, R589OTN, Maintenance, Servicing, Oxygen
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 RHHIs, Part A/B MACs, and DME MACs for oxygen services provided to Medicare beneficiaries



Change Request (CR) 6716 provides instructions on the continuation of the payment policy for general maintenance and servicing of certain oxygen equipment after the 36-month rental cap, as established in CY 2009, for dates of service through June 30, 2010.

Provider Needs to Know...	<ul style="list-style-type: none"> • As indicated in Transmittal 497 (CR6509), the Centers for Medicare & Medicaid Services (CMS) 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
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necessary maintenance and servicing.

- Payment may be made no more often than every 6 months, beginning 6 months after the 36-month rental cap (as early as July 1, 2009, in some cases).
- In CY 2009, the allowed payment amount for each visit is equal to the 2009 fee for code K0739, multiplied by 2, for the state in which the in-home visit takes place.
- Suppliers should use the HCPCS code for the equipment E1390, E1391, E1392 and/or K0738 along with the MS modifier in order to bill and receive payment for these maintenance and servicing visits.

Example

- If the supplier visits a beneficiary's home in Pennsylvania to perform the general maintenance and servicing on a portable concentrator, the supplier would enter E1392 MS on the claim, and the allowed payment amount would be equal to the lesser of the supplier's actual charge or two units of the allowed payment amount for K0739 in Pennsylvania.
- If the supplier visits the beneficiary's home to provide the periodic maintenance and servicing for a stationary concentrator (E1390 or E1391) and a transfilling unit (K0738), payment can be made for maintenance and servicing of both units (E1390MS or E1391MS, and K0738MS).
- If the supplier visits the beneficiary's home to provide the periodic maintenance and servicing for a portable concentrator (E1392), payment can only be made for maintenance and servicing of the one unit/HCPCS code (E1392MS).

Example

- If maintenance and servicing is billed for a column I code, additional payment for the maintenance and servicing of any of the column II codes will 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 CY 2010, CMS has determined that it is reasonable and necessary to continue the existing payments and payment methodology, as described above and in Transmittal 497 (CR6509), for maintenance and servicing of certain oxygen equipment for dates of service through June 30, 2010.
- For dates of service from January 1, 2010, through June 30, 2010, the allowed payment amount for each visit is equal to 2 units of the 2010 fee for code K0739, for the state in which the in-home visit takes place.

Background

- Section 144(b) of MIPPA repeals the transfer of ownership provision established by the Deficit Reduction Act of 2005 for oxygen equipment and establishes new payment rules and supplier responsibilities after the 36-month rental cap.
 - Section 144(b)(1) of the MIPPA provides for payment for reasonable and necessary maintenance and servicing of oxygen equipment furnished after the 36-month rental cap if the Secretary of the Department of Health and Human Services determines that such payments are reasonable and necessary.
 - Initial instructions relating to the maintenance and servicing payments for oxygen concentrators and transfilling equipment for CY 2009 were issued in Transmittal 497, CR6509, dated May 22, 2009.
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**Operational
Impact**N/A

**Reference
Materials**

The related MLN Matters® article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6716.pdf> on the CMS website.

The official instruction (CR6716) issued regarding this change is available at <http://www.cms.hhs.gov/Transmittals/downloads/R589OTN.pdf> on the CMS website.

The MLN Matters® article for CR6509 is available at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6509.pdf> on the CMS website.
