



News Flash – Quick reference charts can be handy lists for looking up information! The Medicare Learning Network (MLN) has produced two QUICK REFERENCE CHARTS, which provide information on frequently used CMS web pages. The Quick Reference: All Medicare Providers (DEC2009) chart includes a list of CMS web pages that ALL Medicare providers use most frequently. The Quick Reference: New Medicare Provider (DEC2009) chart includes a list of CMS web pages that NEW Medicare providers use most frequently. These charts can be bookmarked and viewed online or they can be printed and used as ready references. Both charts can be located at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/MLN-Publications.html> on the MLN Publications page. Use search key word “quick” to locate these publications.

MLN Matters® Number: MM6792 **Revised**

Related Change Request (CR) #: 6792

Related CR Release Date: February 5, 2010

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Related CR Transmittal #: R635OTN

Implementation Date: July 6, 2010

Maintenance and Servicing Payments for Certain Oxygen Equipment after July 1, 2010

Note: This article was updated on November 20, 2012, to reflect current Web addresses. This article was previously revised on November 18, 2011, to correct two dates in the example provided at the top of page 3. All other information remains the same.

Provider Types Affected

This article is for suppliers submitting claims to Medicare contractors (Regional Home Health Intermediaries (RHHIs), Medicare Administrative Contractors (MACs) and/or Durable Medical Equipment Medicare Administrative Contractors (DME MACs)) for oxygen services provided to Medicare beneficiaries.

What You Need to Know

CR 6792, from which this article is taken, announces instructions regarding payment for maintenance and servicing of oxygen equipment furnished for dates of service on or after July 1, 2010. Please see the Background section, below, for details.

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Background

Section 1834(a)(5)(F)(ii)(III) of the Social Security Act provides for the payment of charges for reasonable and necessary maintenance of, and servicing of, oxygen equipment that you furnish after the 36-month rental payment cap for parts and labor that are not covered by the supplier's or manufacturer's warranty.

CR 6716, titled *Continuation of Maintenance and Servicing Payments in CY 2010 for Certain Oxygen Equipment as a Result of the Medicare Improvements for Patients and Providers Act (MIPPA) of 2008* and released November 2, 2009, provides instructions relating to the maintenance and servicing payments for oxygen equipment furnished through June 30, 2010. (You can find the related MLN Matters® Article at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/downloads/MM6716.pdf> on the Centers for Medicare & Medicaid Services (CMS) website.)

CR 6792, from which this article is taken, is a one-time notification that announces instructions regarding the payment for maintenance and servicing of oxygen equipment furnished for dates of service on or after July 1, 2010.

Specifically, CR 6792 provides that (effective for oxygen equipment, other than stationary or portable gaseous or liquid oxygen equipment, furnished on or after July 1, 2010) a maintenance and servicing fee of \$66 is paid every 6 months, either beginning: 1) 6 months after the 36th paid rental month; or 2) when the item is no longer covered under the supplier's or manufacturer's warranty (whichever is later).

The maintenance and servicing fee, which will be updated annually through program instructions that are based on the covered item update for DME, covers all maintenance and servicing through the following 6 months that are needed in order to keep the oxygen equipment in good working order.

A single payment (\$66 for dates of service July 1, 2010 through December 31, 2010) is made per beneficiary regardless of:

- The number of pieces of equipment serviced (stationary concentrator, portable concentrator, and/or transfilling equipment);
- When the maintenance and servicing is performed during each 6-month period; or

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- How often the equipment must be maintained and serviced.

You must make at least one maintenance/servicing visit to inspect the equipment and provide any maintenance and servicing needed at the time of the visit during the first month of each 6-month period. For example:

- 36th monthly payment amount made for month ending June 30, 2010;
- 6-month period with no payment ends December 31, 2010;
- Maintenance and servicing payment may begin on January 1, 2011, provided warranty coverage ended on June 30, 2010, or earlier;
 - You must make at least one in-home visit during January 2011; and
 - Payment covers all maintenance and servicing through June 30, 2011.
- Second maintenance and servicing payment may be made on July 1, 2011;
 - You must make at least one in-home visit during July 2011, and
 - Payment covers all maintenance and servicing through December 31, 2011.

Note: *You will not receive payment for maintenance and servicing of gaseous or liquid oxygen equipment (stationary or portable), or for maintenance and servicing of beneficiary-owned oxygen equipment.*

Billing Guidance

You should use:

- Healthcare Common Procedure Coding System (HCPCS) codes E1390, E1391, E0433, or K0738 along with the MS modifier to bill and receive payment for maintenance and servicing of oxygen equipment other than gaseous or liquid oxygen equipment;
- HCPCS code E1390 for maintenance and servicing for a beneficiary using a single delivery port stationary oxygen concentrator or portable concentrator, and for maintenance and servicing for beneficiaries renting a combination of single delivery port stationary oxygen concentrators and gaseous or liquid oxygen transfilling equipment;
- HCPCS code E1391 for maintenance and servicing for a beneficiary using a dual delivery port stationary oxygen concentrator or for beneficiaries renting a combination of dual delivery port stationary oxygen concentrators and gaseous or liquid oxygen transfilling equipment;
- HCPCS code K0738 only in situations in which the beneficiary owns stationary oxygen equipment, but rents gaseous oxygen transfilling equipment; and
- HCPCS code E0433 only in situations in which the beneficiary owns stationary equipment but rents liquid oxygen transfilling equipment.

Notes: *1) Use HCPCS code E1390 (and not E1392) for maintenance and servicing of portable oxygen concentrator equipment; and 2) Bill the appropriate*

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HCPCS code for the equipment or combination of equipment, as applicable, with the "MS" modifier.

You should remember that only one maintenance and servicing payment can be made for any combination of oxygen equipment used by the beneficiary that is classified under HCPCS codes E1390, E1391, E1392, E0433 or K0738.

For example, if maintenance and servicing is billed for a column I code/modifier, additional payment for the maintenance and servicing of any of the column II codes/modifiers will not be made.

Column I	Column II
E1390MS	E1391MS, K0738MS, E0433MS
E1391MS	E1390MS, K0738MS, E0433MS
K0738MS	E1390MS, E1391MS, E0433MS
E0433MS	E1390MS, E1391MS, K0738MS

Further, the maintenance and servicing payments following the 36th month rental cap for oxygen concentrators and transfilling equipment terminate if the stationary oxygen equipment is replaced and a new 36-month rental period commences.

Finally, be aware that your RHHI, MAC, or DME MAC will deny your claims for the maintenance and servicing of beneficiary-owned oxygen equipment or equipment that you bill with HCPCS codes E0424, E0439, E0431, E0434, E1405, E1392 or E1406 and the "MS" modifier. They will also deny claims for more than one payment per beneficiary, regardless of the combination of oxygen concentrator equipment and/or transfilling equipment used by the beneficiary, for any 6-month period for either HCPCS code E1390, E1391, E0433, or K0738, billed with the "MS" modifier.

When denying such claims, they will:

- Use the following remittance advice reason and remark codes:
 - Reason code A1: Claim/Service denied;
 - Remark Code M6 (revised) – Alert: You must furnish and service this item for any period of medical need for the remainder of the reasonable useful lifetime of the equipment.
 - Remark Code N372: Only reasonable and necessary maintenance/service charges are covered.
- Assign group code CO (contractual obligation); and
- Use the following Medicare Summary Notice (MSN) messages for denied claims:

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- 8.28 - Maintenance, servicing, replacement, or repair of this item is not covered;
- 16.35: You do not have to pay for this amount.

Additional Information

You can find more information about the maintenance and servicing payments for certain oxygen equipment after July 1, 2010 by going to CR 6792, located at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R635OTN.pdf> on the CMS website.

If you have any questions, please contact your RHHI, MAC, or DME MAC at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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