INTRODUCTON

This publication is meant to educate providers on coverage and proper billing of Continuous Positive Airway Pressure (CPAP) devices and accessories.

UPDATES

• Replaced the earlier year’s data with 2019
PROVIDER TYPES AFFECTED

Durable medical equipment (DME) suppliers, physicians, and other practitioners who write prescriptions for and dispense Continuous Positive Airway Pressure (CPAP) devices and accessories

BACKGROUND

CPAP therapy is a non-invasive technique for providing single levels of air pressure from a flow generator, via a nose mask, through the nares. The purpose is to prevent the collapse of the oropharyngeal walls and the obstruction of airflow during sleep, which occurs in obstructive sleep apnea (OSA).

The Medicare Fee-for-Service improper payment rate for CPAP was 32.7 percent with $250,958,674 in projected improper payments for the 2019 reporting period.¹

The DME benefit (Social Security Act section 1861(s)(6)) covers CPAP devices and accessories. Provisions set out in National Coverage Determination 240.4 must be met. Medicare (or whoever) outlines other policy requirements in the Local Coverage Determination entitled “Positive Airway Pressure (PAP) Devices for the Treatment of Obstructive Sleep Apnea L33718”.

REASONS FOR DENIALS

For the 2019 reporting period, insufficient documentation accounted for 83.5 percent of improper payments for positive airway pressure devices. Additional types of errors were no documentation (2.3 percent) and other errors (11.8 percent).¹

TO PREVENT DENIALS

The following Medicare coverage and payment guidelines apply to CPAP device claims:

- The use of CPAP devices are covered under Medicare for beneficiaries with OSA, as diagnosed following a clinical evaluation by a treating practitioner and a sleep study/test confirmation
- The beneficiary and/or their caregiver has received instruction from the supplier of the device in the proper use and care of the equipment
- The beneficiary has a face-to-face clinical evaluation by the treating practitioner prior to the sleep study/test to assess the beneficiary for OSA
- A sleep study/test must be used to confirm the OSA diagnosis, must be ordered by the beneficiary’s treating physician, interpreted by a qualified practitioner, and performed either:
  - As a polysomnogram (PSG) attended by a qualifying practitioner and performed in a sleep laboratory
  - An unattended home sleep test (HST) with a Type II or Type III home sleep monitoring device
  - An unattended HST with a Type IV home sleep monitoring device that measures at least 3 channels
- Initial coverage of CPAP therapy is provided for a 12-week period for beneficiaries whose sleep study findings are indicative of:
  - An Apnea–Hypopnea Index (AHI) or Respiratory Disturbance Index (RDI) (calculated on the average number of events per hour) greater than or equal to 15 events per hour

¹ 2019 Medicare Fee-for-Service Supplemental Improper Payment Data
• AHI or RDI greater than or equal to 5 events and less than or equal to 14 events per hour with documented symptoms of excessive daytime sleepiness, impaired cognition, mood disorders or insomnia, or documented hypertension, ischemic heart disease, or history of stroke

• **NOTE:** Medicare defines Apnea as a cessation of airflow for at least 10 seconds. Medicare defines Hypopnea as an abnormal respiratory event lasting at least 10 seconds with at least a 30 percent reduction in thoracoabdominal movement or airflow and at least a four percent oxygen desaturation

• Continued coverage is dependent upon practitioner reassessment and documentation of beneficiary adherence to the therapy regimen and improvement in OSA symptoms

• Providers are reminded of the requirement to provide a written order prior to delivery for the CPAP machines (E0601) (per 42 CFR 410.38 and Program Integrity Manual (PIM) Pub 100-08 sections 5.2.4(c) and 5.2.6) and to provide detailed written orders prior to claim submission for all other related accessories and supplies (per PIM Pub 100-08, Section 5.2.3)

## RESOURCES

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| Local Coverage Determination entitled “Positive Airway Pressure (PAP) Devices for the Treatment of Obstructive Sleep Apnea (L33718)” | [https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=33718&ver=20&SearchType=Advanced&CoverageSelection=Both&NCSelection=NCA%7cCAL%7cNC-D%7cMEDCAC%7cTA%7cMCD&ArticleType=BC%7cSAD%7cRTC%7cReq&PolicyType=Both&s=All&KeyWord=PAP&KeyWordLookUp=Title&KeyWordSearchType=Exact&kq=true&b-c=EAAAABAAAAAA&](https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=33718&ver=20&SearchType=Advanced&CoverageSelection=Both&NCSelection=NCA%7cCAL%7cNC-D%7cMEDCAC%7cTA%7cMCD&ArticleType=BC%7cSAD%7cRTC%7cReq&PolicyType=Both&s=All&KeyWord=PAP&KeyWordLookUp=Title&KeyWordSearchType=Exact&kq=true&b-c=EAAAABAAAAAA&)

(2) Medicare Program Integrity Manual — Chapter 5, Sections 5.2.3, 5.2.4(c) and 5.2.6
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<td><a href="https://www.cms.gov/medicare-coverage-database/details/ncd-details.aspx?NCDId=226&amp;amp;ncdver=3&amp;amp;CoverageSelection=Both-&amp;amp;ArticleType=All&amp;amp;PolicyType=Final&amp;amp;s=All&amp;amp;KeyWord=CPAP&amp;amp;KeyWordLookUp=Title&amp;amp;KeywordSearchType=And&amp;amp;bc=gAAAACAAAAAAA%3d%3d">https://www.cms.gov/medicare-coverage-database/details/ncd-details.aspx?NCDId=226&amp;amp;ncdver=3&amp;amp;CoverageSelection=Both-&amp;amp;ArticleType=All&amp;amp;PolicyType=Final&amp;amp;s=All&amp;amp;KeyWord=CPAP&amp;amp;KeyWordLookUp=Title&amp;amp;KeywordSearchType=And&amp;amp;bc=gAAAACAAAAAAA%3d%3d</a></td>
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<td>Program Integrity Manual Pub 100-08 – Chapter 5, Sections 5.2.3, 5.2.4(c) and 5.2.6</td>
<td><a href="https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/pim83c05.pdf">https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/pim83c05.pdf</a></td>
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Please Contact your MAC for any updates or changes to the Policy Article (PA) and the LCD regarding policy and general documentation requirements.

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