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| <b>CMS Manual System</b>                     | <b>Department of Health &amp; Human Services (DHHS)</b>   |
| <b>Pub 100-04 Medicare Claims Processing</b> | <b>Centers for Medicare &amp; Medicaid Services (CMS)</b> |
| <b>Transmittal 2465</b>                      | <b>Date: May 11, 2012</b>                                 |
|  | <b>Change Request 7820</b>                                |

**SUBJECT: Assigned Codes for Home Oxygen Use for Cluster Headache (CH) in a Clinical Trial (ICD-10)**

**I. SUMMARY OF CHANGES:** This Change Request (CR) provides the oxygen codes and modifiers that will be used, effective October 1, 2012, to identify home use of oxygen for Cluster Headache (CH), provided pursuant to a Medicare-approved clinical study under Coverage with Evidence Development (CED). This is pursuant to chapter 1, section 240.2.2, Publication 100-03, of the National Coverage Determinations Manual.

**EFFECTIVE DATE: October 1, 2012**

**IMPLEMENTATION DATE: October 1, 2012**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revise information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

| <b>R/N/D</b> | <b>CHAPTER / SECTION / SUBSECTION / TITLE</b> |
|--------------|---|
| R            | 20/30.6 /Oxygen and Oxygen Equipment          |

**III. FUNDING:**

**For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:**

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**Business Requirements  
Manual Instruction**

*\*Unless otherwise specified, the effective date is the date of service.*

# Attachment – Business Requirements

|             |                   |                    |                      |
|-------------|-------------------|--------------------|----------------------|
| Pub. 100-04 | Transmittal: 2465 | Date: May 11, 2012 | Change Request: 7820 |
|-------------|-------------------|--------------------|----------------------|

**SUBJECT:** Assigned Codes for Home Oxygen Use for Cluster Headache (CH) in a Clinical Trial (ICD-10)

**Effective Date:** October 1, 2012

**Implementation Date:** October 1, 2012

## I. GENERAL INFORMATION

**A. Background:** On January 14, 2011, Change Request (CR) 7235, Home Use of Oxygen to Treat Cluster Headache (CH), was released by the Centers for Medicare & Medicaid Services (CMS), effective January 4, 2011, implemented February 14, 2011. CR 7235 explained that effective for claims with dates of service on or after January 4, 2011, Medicare will allow for coverage of home use of oxygen to treat Medicare beneficiaries diagnosed with CH when those beneficiaries are enrolled in clinical studies that are approved by CMS for the purpose of gaining further evidence. The clinical studies must compare normobaric 100% oxygen with at least one clinically appropriate comparator for the treatment of CH, and must address whether the home use of oxygen improves Medicare beneficiaries' health outcomes pursuant to the criteria in chapter 1, section 240.2.2, Publication 100-03, of the National Coverage Determinations Manual.

**B. Policy:** The following oxygen codes and modifiers will be used, effective October 1, 2012, to identify home use of oxygen for CH, provided pursuant to a Medicare-approved clinical study under Coverage with Evidence Development (CED):

E0424 *Stationary Compressed Gaseous Oxygen System, Rental; Includes Container, Contents, Regulator, Flowmeter, Humidifier, Nebulizer, Cannula or Mask, and Tubing*

E0441 *Stationary Oxygen Contents, Gaseous, 1 Month's Supply = 1 Unit*

E0443 *Portable Oxygen Contents, Gaseous, 1 Month's Supply = 1 Unit*

QF *Prescribed Amount of Oxygen Exceeds 4 Liters Per minute (LPM) and Portable Oxygen is Prescribed*

QG *Prescribed Amount of Oxygen is Greater than 4 Liters Per Minute (LPM).*

For the treatment of CH, this policy refers to the use of gaseous oxygen equipment and contents only. Medicare will pay for the home use of oxygen for CH furnished to beneficiaries participating in a Medicare-approved prospective clinical study using the standard oxygen payment rules found in 42 CFR 414.226. The monthly payment amount for stationary gaseous oxygen and oxygen equipment made using HCPCS code E0424 covers all equipment, contents, supplies and accessories. This payment amount includes oxygen contents used with stationary oxygen equipment as well as oxygen contents used with portable oxygen equipment. Medicare will make monthly rental payments for no more than 36 continuous months after which the supplier that received the 36<sup>th</sup> month payment must continue to furnish the oxygen and oxygen equipment for any period of medical need for the remainder of the equipment's reasonable useful lifetime.

The usual dosage of oxygen for the treatment of CH is between 6-12 liters per minute. Modifiers "QG" or "QF" will be used with E0424 to adjust the monthly stationary oxygen payment amount to recognize that oxygen is prescribed for CH at a rate that exceeds 4 liters per minute. Therefore, during the 36 month rental period:

- If the beneficiary is prescribed stationary gaseous oxygen at a rate that exceeds 4 LPM, suppliers use the modifier "QG" with HCPCS code E0424 to increase the monthly stationary oxygen payment amount by 50 percent.



| Number   | Requirement  | Responsibility (place an "X" in each applicable column) |                                |                           |                       |                                     |                           |             |             |  |       |
|----------|--|---|--------------------------------|---------------------------|-----------------------|-------------------------------------|---------------------------|-------------|-------------|--|-------|
|          |  | A<br>/<br>B<br><br>M<br>A<br>C                          | D<br>M<br>E<br><br>M<br>A<br>C | F<br>I<br><br>M<br>A<br>C | C<br>A<br>R<br>E<br>R | R<br>H<br>H<br>I<br><br>I<br>S<br>S | Shared-System Maintainers |             |             |  | OTHER |
|          |  |   |                                |                           |                       | F<br>I<br>S                         | M<br>C<br>S               | V<br>M<br>S | C<br>W<br>F |  |       |
|          | <ul style="list-style-type: none"> <li>• Modifier Q0;</li> <li>• ICD-9 diagnosis code 339.00, 339.01, or 339.02; and</li> <li>• ICD-9 diagnosis code V70.7; and</li> <li>• POS 12 (home)</li> </ul> <p>8-digit clinical trial number (optional)</p>  |   |                                |                           |                       |                                     |                           |             |             |  |       |
| 7820.3   | Effective October 1, 2012, contractors shall deny claims received with HCPCS code E1399 when billed with ICD-9 diagnosis code(s) 339.00, 339.01, or 339.02.  |   | X                              |                           |                       |                                     |                           |             |             |  |       |
| 7820.3.1 | <p>Contractors shall use the following codes when denying claims under 7820.3:</p> <p>CARC 167 – This (these) diagnosis (es) are not covered. Note: Refer to the 835 Healthcare Policy Identification segment (loop 2110 Service Payment Information REF), if present.</p> <p>RARC: N386 - This decision was based on a National Coverage Determination (NCD). An NCD provides a coverage determination as to whether a particular item or service is covered. A copy of this policy is available at <a href="http://www.cms.gov/mcd/search.asp">www.cms.gov/mcd/search.asp</a>. If you do not have web access, you may contact the contractor to request a copy of the NCD.</p> <p>MSN 14.9 – “Medicare cannot pay for this service for the diagnosis shown on the claim.”</p> <p>Spanish Version: “Medicare no puede pagar por este servicio debido al diagnóstico indicado en la reclamación.”</p> <p>Group Code CO</p> |   | X                              |                           |                       |                                     |                           |             |             |  |       |
| 7820.4   | Contractors shall note the appropriate ICD-10 code(s) that are listed below. Contractors shall track the ICD-10 codes and ensure that the updated edit is turned on as part of the ICD-10 implementation. <b>NOTE: You will not receive a separate change request</b>  |   | X                              |                           |                       |                                     |                           |             |             |  |       |

| Number | Requirement  | Responsibility (place an "X" in each applicable column) |                                |                           |                                 |                  |                           |             |             |  |       |
|--------|--|---|--------------------------------|---------------------------|---------------------------------|------------------|---------------------------|-------------|-------------|--|-------|
|        |  | A<br>/<br>B<br><br>M<br>A<br>C                          | D<br>M<br>E<br><br>M<br>A<br>C | F<br>I<br><br>M<br>A<br>C | C<br>A<br>R<br>R<br>I<br>E<br>R | R<br>H<br>H<br>I | Shared-System Maintainers |             |             |  | OTHER |
|        |  |   |                                |                           |                                 | F<br>I<br>S<br>S | M<br>C<br>S               | V<br>M<br>S | C<br>W<br>F |  |       |
|        | <p><b>instructing you to implement the updated edits.</b></p> <ul style="list-style-type: none"> <li>Cluster Headache ICD-10 diagnosis code(s): G44.001, G44.009, G44.011, G44.019, G44.021, or G44.029</li> <li>Clinical Trial ICD-10 diagnosis code Z00.6</li> </ul> |   |                                |                           |                                 |                  |                           |             |             |  |       |

### III. PROVIDER EDUCATION TABLE

| Number | Requirement  | Responsibility (place an "X" in each applicable column) |                                |                           |                                 |                  |                           |             |             |  |       |
|--------|--|---|--------------------------------|---------------------------|---------------------------------|------------------|---------------------------|-------------|-------------|--|-------|
|        |  | A<br>/<br>B<br><br>M<br>A<br>C                          | D<br>M<br>E<br><br>M<br>A<br>C | F<br>I<br><br>M<br>A<br>C | C<br>A<br>R<br>R<br>I<br>E<br>R | R<br>H<br>H<br>I | Shared-System Maintainers |             |             |  | OTHER |
|        |  |   |                                |                           |                                 | F<br>I<br>S<br>S | M<br>C<br>S               | V<br>M<br>S | C<br>W<br>F |  |       |
| 7820.5 | <p>A provider education article related to this instruction will be available at <a href="http://www.cms.hhs.gov/MLNMattersArticles/">http://www.cms.hhs.gov/MLNMattersArticles/</a> shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv.</p> <p>Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.</p> |   | X                              |                           |                                 |                  |                           |             |             |  |       |

**IV. SUPPORTING INFORMATION**

**Section A: For any recommendations and supporting information associated with listed requirements, use the box below: N/A**

| <b>X-Ref Requirement Number</b> | <b>Recommendations or other supporting information:</b> |
|---------------------------------|---|
|                                 |   |

**Section B: For all other recommendations and supporting information, use this space: N/A**

**V. CONTACTS: Pre-Implementation Contact(s):** Cheryl Gilbreath, coverage, 410-786-5919 Cheryl.Gilbreath@cms.hhs.gov, Pat Brocato-Simons, coverage, 410-786-0261, [patricia.brocato-simons@cms.hhs.gov](mailto:patricia.brocato-simons@cms.hhs.gov), Wanda Belle, coverage, 410-786-7491, [wanda.belle@cms.hhs.gov](mailto:wanda.belle@cms.hhs.gov), Diana Motsiopoulou, Supplier Claims Processing, 410-786-3379 [Diana.Motsiopoulou@cms.hhs.gov](mailto:Diana.Motsiopoulou@cms.hhs.gov), Yvonne Young, Part B Claims Processing, 410-786-1886, [Yvonne.Young@cms.hhs.gov](mailto:Yvonne.Young@cms.hhs.gov)

**Post-Implementation Contact(s):** Contact your Contracting Officer’s Representative (COR) or Contractor Manager, as applicable.

**VI. FUNDING: Section A: For *Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or Carriers:***

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

**Section B: For Medicare Administrative Contractors (MACs), include the following statement:**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

# Medicare Claims Processing Manual

## Chapter 20 - Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)

### Table of Contents

*(Rev.2465, Issued: 05-11-12)*

#### Crosswalk to Source Material

30.6 - Oxygen and Oxygen Equipment

## **30.6 - Oxygen and Oxygen Equipment**

*(Rev. 2465, Issued: 05-11-12, Effective: 10-01-12, Implementation: 10-01-12)*

For oxygen and oxygen equipment, contractors pay a monthly fee schedule amount per beneficiary. Unless otherwise noted below, the fee covers equipment, contents and supplies. Payment is not made for purchases of this type of equipment.

When an inpatient is not entitled to Part A, payment may not be made under Part B for DME or oxygen provided in a hospital or SNF. (See the Medicare Benefit Policy Manual, Chapter 15) Also, for outpatients using equipment or receiving oxygen in the hospital or SNF and not taking the equipment or oxygen system home, the fee schedule does not apply.

There are a number of billing considerations for oxygen claims. The chart in §130.6 indicates what amounts are payable under which situations.

*Effective for claims on or after February 14, 2011, payment for the home use of oxygen and oxygen equipment when related to the treatment of cluster headaches is covered under a National Coverage Determination (NCD). For more information, refer to chapter 1, section 240.2.2, Publication 100-03, of the National Coverage Determinations Manual.*