



Payment Policy

Subject: Oxygen Delivery Systems & Supplies

Programs Covered: OH Medicaid, KY Medicaid, OH Special Needs Program, OH MyCare, and OH Just4Me¹

Policy

Effective January 1, 2014, CareSource provides coverage for the rental of oxygen delivery systems and supplies when a claim meets the criteria outlined in this policy.

Definitions

“Current Procedural Terminology” (“CPT”) codes are numbers assigned to every task, medical procedure, and service a medical practitioner may provide to a patient. CPT codes are developed, maintained and updated annually, and copyrighted by the American Medical Association. *(From ama-assn.org)*

“Healthcare Common Procedure Coding System (HCPCS)” – is a set of health care procedure codes based on the American Medical Association's Current Procedural Terminology (CPT). HCPCS currently includes two levels of codes: Level I consists of the American Medical Association's Current Procedural Terminology (CPT) and is numeric. Level II codes are alphanumeric and primarily include non-physician services such as ambulance services and prosthetic devices,² and represent items and supplies and non-physician services, not covered by CPT-4 codes (Level I). *(from www.wikipedia.org)*

“Medically necessary” services are those health services that are necessary for the diagnosis or treatment of disease, illness, or injury and meet accepted standards of medical practice. *(from OAC 5160-10-02)*

Provider Reimbursement Guidelines

Prior Authorization

CareSource does not require prior authorization for medically necessary oxygen equipment and supplies for its members.

Reimbursement

CareSource will reimburse providers for the rental of oxygen supply systems and supplies for any member within the following parameters:

HCPCS Code	Description	Limits
K0738	Trans fill oxygen system	Each: 1 per month per member
E1390	Oxygen concentrator, single port	
E1391	Oxygen concentrator, dual port	
E1392	Portable oxygen concentrator, rental	
E0424	Stationary compressed oxygen system, rental	
E0431	Portable gaseous oxygen system, rental	
E0434	Portable liquid oxygen system, rental	
E0439	Stationary liquid oxygen system, rental	

Billing

The appropriate documentation must be attached to the claim form, or sent separately to CareSource for claims submitted electronically.

Related Policies & References

Ohio Administrative Code 5160-10-03, "Medical supplies and the Medicaid supply list"

Ohio Administrative Code 5160-10-05, "Reimbursement for covered services."

Ohio Administrative Code 5160-1-60, "Medicaid reimbursement."

State Exceptions

NONE

Document Revision History