



DME, Prosthetics, and Orthotics Prior Authorization Resource

Applies to members enrolled in the following My Choice Wisconsin health plan products:
Partnership, SSI Managed Care, Dual Advantage Plan

Medicare Coverage rationale (Partnership and Dual Advantage):

The following are basic conditions that must always be met before DME, prosthetics, and orthotics may be covered by Medicare (Partnership and Dual Advantage):

- The patient is eligible for Medicare and is an active member of My Choice Wisconsin's Dual Advantage or Partnership program,
- The equipment is prescribed by a health care provider and is medically necessary; and
- Is eligible for coverage under [Medicare](#).

Medicaid Coverage rationale (Partnership and SSI Managed Care):

The following are basic conditions that must always be met before DME, prosthetics, and orthotics may be covered by Medicaid (Partnership and SSI):

- The patient is eligible for Medicaid and is an active member of My Choice Wisconsin's SSI Managed Care or Partnership program,
- the equipment is prescribed by a physician or other professional provider and is medically necessary; and
- is eligible for coverage per [Wisconsin Administrative Code DHS107.24\(2\)\(b\)](#).
- For SSI only- Covered services are limited to those items listed in the [DME Index](#).

Medicaid Coverage rationale for Adaptive Equipment (SSI Managed Care):

As stated in Wisconsin Administrative Code DHS 107.24(2)(c), adaptive equipment is the category of DME used in the home to assist a person with a disability to achieve independence in performing daily self-care tasks. Coverage of this equipment is limited to basic items when equipment is the following:

- Medically necessary
- Prescribed by a physician
- Required for a member's independence in self-care tasks

The PA request for this equipment should include sufficient information to confirm the medical necessity of the item following the guideline in Topic #1839 of the Forward Health provider handbook.

The following adaptive equipment is **not** covered:

- Items determined not to be medically necessary such as:
 - Duplicative adaptive equipment (more than one item per member that serve the same purpose)
 - Items that may be helpful but do not significantly change the member's level of functional independence
- Equipment used for homemaking, recreation or other activities such as adaptive cutting boards, key holders, page turners, book holders or doorknob extensions
- Items that are commercially available such as pencil grips, elastic shoelaces, jar openers and flexible mounting hardware.

Prior Authorization Criteria:

My Choice Wisconsin requires prior authorization for durable medical equipment in the following situations:

- The item is a covered service under the member's benefit, but does not have an established rate
- The item will be rented for greater than one month
- The item's Medicare or Medicaid reimbursement rate exceeds \$300

--Please include clinical documentation supporting medical necessity with all prior authorization requests.

DME that does not require prior authorization:

- Oxygen equipment including oxygen systems, concentrators, and portable oxygen
- Diabetic shoes and inserts- one pair of custom molded shoes and 3 inserts per calendar year, Member must have a diagnosis of Diabetes to qualify
- DME rentals for covered services ≤ 1 month for covered services.
- DME purchases for covered services <\$300 based on the Medicare or Medicaid reimbursement rate, depending on the benefit applied
- Adaptive Equipment for Medicaid SSI members as noted in the Forward Health provider handbook Topic #1839. PA is required for other adaptive equipment not listed using HCPCS procedure code E1399.

Additional Considerations:

Rental versus Purchase: DME rental versus purchase coverage is based on the item prescribed, the patient's prognosis, the time frame required for use, and the total cost (rental vs. purchase) for the equipment.

Maintenance, Repairs, and Replacement of PURCHASED DME: Maintenance, repair, or replacement and supplies are eligible for separate reimbursement under a contracted maintenance fee with a contracted DME supplier.

- Repairs are evaluated to determine if the cost of repair exceeds the estimated expense of purchasing or renting another item of equipment for the remaining period of medical need.
- The repair charge may include the use of "loaner" equipment when necessary.
- When equipment is purchased, coverage for a maintenance or service agreement will be subject to the terms of the provider's contracted maintenance agreement and product warranty.

Maintenance, Repairs, and Replacement of RENTAL DME:

- DME rental fees will cover the cost of maintenance, repairs, replacements, adjustments, supplies, and accessories. Rental fees also include equipment delivery services and set-up, education and training for patient and family, and nursing visits; and these services are not eligible for separate reimbursement. Payment of eligible fees will begin on the day the device is delivered to our member.
- Replacement of the rental equipment may occur when the rented item is irreparably damaged, or if replacement is required during repair and/or maintenance of a specific item. Monthly rental fees allow for the replacement costs, and are not eligible for separate reimbursement.

Definitions:

Durable medical equipment (DME) is equipment which:

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- Can withstand repeated use;
- Is primarily and customarily used to serve a medical purpose;
- Generally is not useful to a person in the absence of an illness or injury; and
- For Medicare Only-Is appropriate for use in the home.
- For Medicaid Only-Is used in a setting in which activities of daily living take place.

Prosthetics are: An artificial substitute or replacement of a part of the body that is nonfunctioning and inoperative.

Orthotics: A support, brace, or splint used to support, align, prevent, or correct the function of movable parts of the body.