

Policy Number: CP-AMCR24-009A

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Oxygen and Oxygen Equipment

The purpose of this policy is to provide clarity and specificity for coverage of Oxygen and Oxygen Equipment for Aspirus Health Plans.

DISCLAIMER

Coverage Policies are developed to assist in identifying coverage for Aspirus benefits under Aspirus’s health plans. They are intended to serve only as a general reference regarding Aspirus’s administration of health benefits and are not intended to address all issues related to coverage for health services provided to Aspirus members.

These services may or may not be covered by all Aspirus products (refer to product section of individual coverage policy for product-specific detail). Providers are encouraged to have their Aspirus patient refer to their Aspirus plan documents (Evidence of Coverage/Member Handbook/Member Contract) for specific coverage information. If there is a conflict between a coverage policy and the Aspirus plan document, the Aspirus plan document is used to determine coverage.

Medicare products may provide different coverage for certain services, which may be addressed in different policies. For Medicare National Coverage Determinations (NCD), Local Coverage Determinations (LCD), and/or Local Coverage Articles, please consult CMS, National Government Services, or CGS websites.

Coverage Policies do not constitute medical advice. Providers are responsible for submission of accurate and compliant claims.

Product Summary

This coverage policy applies to the following Aspirus products:

Aspirus product	Applies to
Aspirus Medicare Advantage Elite (PPO)	✓
Aspirus Medicare Advantage Essential Rx (PPO)	✓

Benefit category:

Durable Medical Equipment and related supplies

Definitions or summary

Oxygen Concentrator

A stationary or portable device that extracts oxygen from room air and delivers oxygen at high concentration to the user via tubing, face mask or nasal cannula.

Oxygen system, Liquid

Consists of a large main unit that is stationary, and a separate smaller portable unit. The portable unit is used when away from home and can be refilled by the user from a large main stationary unit.

Oxygen, Portable

A system that provides the user with oxygen supply when away from home.

Oxygen Regulator

Oxygen regulators attach to the oxygen gas cylinder. Allows user to adjust the flow to deliver a prescribed amount of oxygen.

Oxygen Refills

The refill of liquid oxygen contents into a stationary liquid oxygen system is done via truck refill by a vendor. Replaced by vendor when empty.

Oxygen Accessories

All options, supplies and accessories (ex. cannulas, tubing, mouthpieces, masks, humidifiers) are considered included in the monthly payment for oxygen equipment. Supplier must provide any accessory ordered by the treating practitioner.

REASONABLE USEFUL LIFETIME (RUL): The reasonable useful lifetime for oxygen equipment is 5 years. The RUL is not based on the chronological age of the equipment. It starts on the initial date of service and runs for 5 years from that date.

- RUL also does not take into account exchanges of equipment, new suppliers, or changes of modality (concentrator, gaseous, liquid).
- RUL is not based on the age of the equipment. If oxygen equipment that is not functioning properly has to be replaced prior to the Reasonable Useful Lifetime period, this does not result in that start of a new reasonable useful lifetime period or a new 36-month payment period.

Coverage policy

Aspirus Health Plan's coverage for oxygen equipment is limited to 36-monthly rental payments, a new 36-month rental period begins when the Reasonable Useful Lifetime (RUL) has been reached.

- **Aspirus Health Plan's coverage from a Medicare-certified oxygen supplier includes:**
 - Rental of oxygen equipment
 - Delivery of oxygen and oxygen contents
 - Tubing and related oxygen accessories for the delivery of oxygen and oxygen contents
 - Maintenance and repairs of oxygen equipment
- **Aspirus requires a Medicare certified oxygen supplier to cover member services for five years (60 Months).**

OXYGEN CONTENTS (stationary and/or portable) is included in the allowance for stationary equipment. After 36-months of continuous use, Medicare stops making rental payments for the oxygen equipment, but, in almost all circumstances, the member will continue to get the oxygen equipment, accessories and supplies from the oxygen supplier with no rental charge until the end of the reasonable useful lifetime (RUL) of the oxygen equipment (generally 5 years after the date that the equipment was delivered).

STATIONARY AND PORTABLE OXYGEN EQUIPMENT is often provided at the same time therefore the RUL for both items runs concurrently. When the RUL of a member's portable oxygen equipment differs from the RUL of the member's stationary oxygen equipment, the RUL of the stationary shall govern the application of the RUL-based rules and processes for both types, stationary and portable, of oxygen equipment. Until such time as the end date of the RUL of the stationary oxygen equipment is reached, the supplier must continue to furnish both the portable and stationary oxygen equipment.

- If the end date of the RUL of the portable oxygen equipment precedes the end date of the RUL of the stationary oxygen equipment, the end date of the RUL of the portable oxygen equipment is adjusted (extended) to coincide with the end date of the RUL of the stationary equipment.
- If the end date of the RUL of the portable equipment follows the end date of the URL of the stationary oxygen equipment, the end date of the RUL of the stationary equipment, the end date of the RUL of the portable oxygen equipment is adjusted (shortened) to coincide with the end date of the RUL of the stationary equipment.
- If the member elects to obtain replacement of the stationary and the portable oxygen equipment, both types of oxygen equipment must be replaced at the same time.

BREAK-IN-SERVICES

- **Break-in-billing/Part B without break-in-medical necessity**
 - If member enters a hospital or Skilled Nursing Facility (SNF) and continues to need/use oxygen, when member returns home, payment resumes where it left off.
- **Break-in-medical necessity (break-in-need)**
 - If need/use of oxygen ends for less than 60 days plus the remainder of the rental month of discontinuation and then resumes, payment resumes where it left off.
 - During the 36-month rental period, if need/use of oxygen ends for more than 60 days plus the remainder of the rental month of discontinuation and new medical necessity is established, a new 36-month rental period would begin.
 - During months 37-60, if need/use of oxygen ends for more than 60 days plus the remainder of the rental month of discontinuation and new medical necessity is established, a new rental period does not begin. The supplier who provided the oxygen equipment during the 36th rental month must provide all necessary items and services for the duration of the reasonable useful lifetime.

Oxygen Equipment

Initial 36 months (3yrs):

- Oxygen equipment is limited to 36 monthly rental payments. Payment for accessories (e.g., cannula, tubing, etc.), delivery, back-up equipment, maintenance, and repairs is included in the rental allowance.

Months 37- 60 (2yrs):

- There is no further payment for oxygen equipment during the 5-year reasonable useful lifetime (RUL) of the equipment after 36 rental payments have been made.
- The oxygen supplier who provided the equipment during the 36th rental month period is required to continue to provide the equipment, accessories, contents (if applicable), maintenance, and repair of the oxygen equipment during the 5-year reasonable useful lifetime of the equipment.

Months 61 months and after (5 years):

- At any time after the end of the 5-year reasonable useful lifetime for oxygen equipment, the member may elect to receive new equipment, thus beginning a new 36-month rental period.
- If the member elects not to receive new equipment after the end of the 5-year reasonable useful lifetime and if the oxygen supplier retains ownership of the equipment, all elements of this coverage policy for months 37-60 remain in effect.
 - There is no separate payment for accessories or repairs.
 - If the member was using gaseous or liquid oxygen equipment during the 36th rental month, payment can continue to be made for oxygen contents.
 - If the member elects **not** to receive new equipment after the end of the 5-year reasonable useful lifetime and if the oxygen supplier transfers ownership of the equipment to the member, accessories, maintenance, and repairs are non-covered.
 - Contents *are* separately payable for member-owned gaseous or liquid systems.
- **What happens after 36 months equipment rental?**
 - The oxygen supplier must continue to maintain the oxygen equipment (in good working order) and furnish the equipment and any necessary supplies and accessories, as long as medically necessary or until the 5-year period ends. **(The oxygen supplier cannot charge for performing these services)**
 - If the member uses oxygen tanks or cylinders that requires delivery of gaseous or liquid oxygen contents, the Aspirus Health Plan will continue to pay each month for the delivery of contents after the 36-month rental period.
 - The oxygen supplier that delivers the equipment to the member in the last month of the 36-month rental period *must* continue to provide these items (gaseous or liquid oxygen contents), as long as medically necessary, up to 5 years.
 - The oxygen supplier owns the equipment during the entire 5-year period.

- If the members medical need continues past the 5-year period, the supplier is no longer required to provide the member with oxygen and oxygen equipment, and the member has the option to get replacement equipment from any supplier.
 - A new 36-month payment period and 5-year supplier obligation period starts once the previous 5-year period ends and the member receives new oxygen and oxygen equipment.

Not Covered

- Oxygen services furnished by an airline to a member.
 - *Payment for oxygen furnished by an airline is the responsibility of the member and not the responsibility of the supplier.*
- Items or services provided/used outside the United States and its territories.

CPT/ HCPCS/ICD-10 Codes

**Note: If available, codes are listed below for informational purposes only, and do not guarantee member coverage or provider reimbursement. This list may not be all-inclusive.*

CPT®, HCPCS or ICD-10 CODES	Modifier	Narrative Description
None		

*CPT is a registered trademark of the American Medical Association.

Prior authorization

Not required

Related policies and documentation

References to other policies or documentation that may be relevant to this policy

Policy Number	Policy Description
None	

References and source documents

Links to the Aspirus contracts, Center for Medicare and Medicaid Services (CMS), and other relevant documents used to create this policy

[Aspirus Elite Medicare Evidence of Coverage \(EOC\)](#)

[Aspirus Essential Rx Medicare Evidence of Coverage \(EOC\)](#)

LCD L33797 Oxygen and Oxygen Equipment

Local Coverage Article A52514, Oxygen and Oxygen Equipment

Coverage policy development and revision history

Version	Date	Note(s)
V1	8/1/24	New policy Aspirus
V2	10/9/2024	Annual review, minimal edits
V3	10/8/25	Annual review, reformat info from summary/definitions, add definition, move info from summary to coverage, add BREAK-IN to coverage section, grammatical edits, updated link to LCD and policy article links, added RUL information that is directly from LCD/Policy Article for additional context and clarity