

Policy Number: CP-MCR23-009A

Effective Date: January 1, 2025

Oxygen and Oxygen Equipment

The purpose of this policy is to provide clarity and specificity for coverage of Oxygen and Oxygen Equipment for the Medicare Plan.

DISCLAIMER

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

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

Medicaid products may provide different coverage for certain services, which may be addressed in different policies. For Minnesota Health Care Program (MHCP) policies, please consult the MHCP Provider Manual website.

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 UCare products:

UCare product	Applies to
UCare Individual & Family Plans (IFP), UCare IFP with M Health Fairview	
UCare Medicare Plans, UCare Medicare with M Health Fairview & North Memorial Health, UCare Advocate Plus (HMO I-SNP), EssentiaCare	✓
UCare’s Minnesota Senior Health Options (MSHO) (HMO D-SNP)	✓
UCare Connect + Medicare (HMO D-SNP)	✓
UCare Connect (SNBC)	
Prepaid Medical Assistance Program (PMAP), MinnesotaCare (MnCare)	
Minnesota Senior Care Plus (MSC+)	

Benefit category:
Durable Medical Equipment and related supplies

Definitions or summary

UCare’s payment for oxygen equipment is limited to 36 monthly rental payments. Payment for accessories (for example, cannula, tubing, etc.), delivery, back-up equipment, maintenance and repairs is included in the rental allowance.

Payment for 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).

When the stationary and the portable oxygen equipment are replaced, a new 36-month rental period and new RUL is started for both the replacement stationary oxygen equipment and the replacement portable oxygen equipment.

- **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).

Oxygen equipment must be obtained from a Medicare certified oxygen supplier.

Coverage policy

- **UCare coverage from a Medicare-certified oxygen supplier:**
 - 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
- **UCare requires a Medicare certified oxygen supplier to cover member services for five years (60 Months).**
 - During the **first 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.

- During **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
- At the end of **5 years (61 months and after):**
 - 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 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 are **not covered**. Payment for oxygen furnished by an airline is the responsibility of the member and **not** the responsibility of the supplier.
- UCare **does not** cover items or services provided/used outside the United States and its territories.

Prior authorization
Not required

Related policies and documentation	
<i>References to other policies or documentation that may be relevant to this policy</i>	
Policy Number	Policy Description
None	

References and source documents	
<i>Links to the UCare contracts, Center for Medicare, and Medicaid Services (CMS), MHCP, Minnesota statute and other relevant documents used to create this policy</i>	
Medicare Plan Documents and Forms	
A52514 Local Coverage Article, Oxygen and Oxygen Equipment, revised 4/1/23	
L33797 LCD Oxygen and Oxygen Equipment, revised 4/1/23	
MHCP Provider Manual: Oxygen Equipment	

Coverage policy development and revision history		
Version	Date	Note(s)
V1	Aug.1, 2023	New policy
V2	Oct. 13, 2023	Annual review, no changes.
V3	Sept. 30, 2024	add acronym for MinnesotaCare (MnCare) to product list. Non-Covered add sentence to the first bullet they are in the same sentence in the lcd. Updated references. Update effective date