

Oxygen Concentrators, POCs and Transfill Systems

Documentation Requirements

- Certain HCPCS codes for oxygen products **ARE NOT** included in the Face-to-Face Rules implemented under the Affordable Care Act (ACA). These items can be dispensed based on a dispensing or verbal order. However, before the DME can bill for these products, a detailed written order must be received.
- **THE PATIENT'S MEDICAL RECORD MUST CONTAIN** sufficient documentation of the patient's medical condition to substantiate the necessity for the type and quantity of items ordered.
- Specific to ordering oxygen since it is considered a drug, the dose and duration, i.e. nocturnal only, must be included on all orders to allow the dispensing to occur.

The dispensing order must minimally contain:

- 1 Physician's Name
- 2 Beneficiary name
- 3 Start date of order (if different from the date of the order)
- 4 DME item ordered
- 5 Signature of prescriber
- 6 Date of prescriber's Signature

The image shows a sample dispensing order form with several fields circled in red and numbered 1 through 6 to indicate required information:

- 1: Physician's Name, Address, and Phone: John Doe, M.D., Any Town, USA, Phone: (555) 555-555
- 2: Beneficiary Name: William Smith
- 3: Start Date of Order: 01/02/2014
- 4: DME Item Ordered: Oxygen via concentrator delivered by N/C at 2lpm continuous. Patient to use transfilling device for ambulation in the home.
- 5: Signature of Prescriber: John Doe, M.D.
- 6: Signature Date: 01/01/2014

Other fields on the form include: Address: 555 My Street, Any Town; Refills: _____; Name (Printed): John Doe, M.D.

All Oxygen orders must also include:

- Liter flow
- Route of administration
- Frequency of use
- Duration

DOCUMENTATION IN MEDICAL RECORDS REQUIRED BY CMS

Documentation Requirements

- Duration of patient's condition
- Clinical course
- Prognosis
- Nature and extent of functional limitations
- Other therapeutic interventions and results

Key Items to Address

- Why does the patient require the item?
- Do the physical examination findings support the need for the item?
- Signs and symptoms that indicate the need for the item
- Diagnoses that are responsible for these signs and symptoms
- Other diagnoses that may relate to the need for the item

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▶ Oxygen product HCPCS code(s) NOT included in the Face-to-Face rules:

E1390: Oxygen Concentrator

E1392: Portable Oxygen Concentrator, rental

K0738: Portable gaseous oxygen system, rental

▶ Coverage Criteria

Home Oxygen is covered only when the following criteria are met and documented in the patient's medical record:

- The treating Physician has determined that the patient has a severe lung disease or hypoxia-related symptoms that might be expected to improve with oxygen therapy, **and**
- The patient's blood gas study* meets required criteria, **and**
- The qualifying blood gas study was performed by a Physician or by a qualified provider or supplier of laboratory services, **and**
- The qualifying blood gas study was obtained under the following conditions:
 - If the qualifying blood gas study is performed during an in-patient hospital stay, the reported test must be the one obtained closest to, but no earlier than 2 days prior to, the hospital discharge date, **or**
 - If the qualifying blood gas study is not performed during an in-patient hospital stay, the reported test must be performed while the patient is in a chronic stable state, **and**
- Alternative treatment measures have been tried or considered and deemed clinically ineffective.

▶ Specific Documentation Requirements

Documentation for initial coverage requires information in the medical record showing:

- Evidence of **qualifying test results done within 30 days** before the initial date of service.
- Evidence of an **in-person visit with a treating Physician/prescriber done within 30 days** before the initial date of service.
- Consider including in the medical record the verbiage: "I have evaluated patient's oxygen needs."

▶ Coverage of home oxygen therapy requires documentation in the medical record that the patient has:

- A severe underlying lung disease, such as chronic obstructive pulmonary disease, diffuse interstitial disease, cystic fibrosis, bronchiectasis, widespread neoplasm, or hypoxia-related symptoms or findings that might be expected to improve with oxygen therapy; **and**
- The patient is not experiencing an exacerbation of their underlying lung disease described above or other acute condition(s) impacting the patient's oxygen saturation; **and**
- For patients with concurrent PAP therapy, the qualifying oxygen saturation test is performed following optimal treatment of the OSA. Optimal treatment can be demonstrated by reduction of AHI/RDI to less than or equal to ten (10) events per hour; or if the initial AHI/RDI was less than ten (10) events per hour, there is further reduction in AHI/RDI. This test must be done over a minimum of two (2) hours.

A portable oxygen system requires documentation in the patient's medical record that the patient is mobile within the home and the qualifying blood gas study was performed while at rest or during exercise.

*"Blood Gas Study" shall refer to both Arterial Blood Gas (ABG) studies and pulse oximetry.