

310-P - MEDICAL EQUIPMENT, MEDICAL APPLIANCES, AND MEDICAL SUPPLIES

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I. PURPOSE

This Policy applies to ACC, ACC-RBHA, ALTCS E/PD, DCS/CHP (CHP), and DES/DDD (DDD) Contractors; Fee-For-Service (FFS) Programs including: the American Indian Health Program (AIHP), DES/DDD Tribal Health Program (DDD THP), Tribal ALTCS, and all FFS populations, excluding Federal Emergency Services (FES) (For FES, refer to AMPM Chapter 1100). This Policy specifies requirements for coverage of medically necessary Medical Equipment, Medical Appliances, and Medical Supplies. Medical equipment and appliances are often referred to as Durable Medical Equipment (DME).

II. DEFINITIONS

Refer to the [AHCCCS Contract and Policy Dictionary](#) for common terms found in this Policy:

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| DUAL ELIGIBLE MEMBER | DURABLE MEDICAL EQUIPMENT (DME) | FEE-FOR-SERVICE (FFS) |
| MEDICAL SUPPLIES | MEDICAL EQUIPMENT AND APPLIANCES | MEMBER |
| PRIMARY CARE PROVIDER (PCP) | PRIOR AUTHORIZATION (PA) | SETTINGS IN WHICH NORMAL LIFE ACTIVITIES TAKE PLACE |
| TELEHEALTH | | |

III. POLICY

A. COVERAGE GUIDELINES

1. AHCCCS covers medically necessary medical equipment, medical appliances and medical supplies (including incontinence briefs), under the home health services benefit, as specified in this policy and 42 CFR 440.70, when the following conditions are met:
 - a. Provided in settings in which normal life activities take place,
 - b. Ordered by the member’s physician or member's nonphysician practitioner to include:
 - i. Nurse practitioners,
 - ii. Physician assistants, or
 - iii. Clinical nurse specialists, as a part of the plan of care and is reviewed by the practitioner annually,

- c. Authorized as required by AHCCCS, Contractor, or Contractor’s designee, and
 - d. Face-to-face encounter requirements for FFS programs are followed and documented as specified in this policy.
2. Medical equipment, medical appliances and medical supplies cannot be limited to members who are homebound.
3. Other related Policy Requirements:
 - a. Home health services, as specified in AMPM Policy 310-I and AMPM Policy 1240-G,
 - b. Therapies, as specified in AMPM Policy 310-X and AMPM Policy 1240-E,
 - c. Orthotic and prosthetic devices, as specified in AMPM Policy 310-JJ,
 - d. FFS Prior Authorizations (PA)s, as specified in AMPM Policy 820, and
 - e. Institutional services, as specified in AMPM Policy 1210.
4. Examples of medically necessary medical equipment, medical appliances and medical suppliers are:
 - a. Medical supplies, such as incontinence briefs, surgical dressings, splints, casts, and other consumable items, which are not reusable, and are designed specifically to meet a medical purpose, and
 - b. Medical equipment and medical appliances, such as wheelchairs, walkers, hospital beds, augmentative communication devices, and other durable items that are rented or purchased.

B. COVERAGE DETERMINATIONS

1. Coverage of medical equipment is not restricted to the items covered as Durable Medical Equipment (DME) in the Medicare program. Coverage of medical equipment and supplies cannot be contingent upon the member needing nursing or therapy services.
2. Absolute exclusions for coverage of medical equipment, medical appliances, and medical supplies are prohibited. Lists of pre-approved medical equipment, medical appliances, and medical supplies are permissible for administrative ease. However, processes and criteria for requesting medical equipment, medical appliances, and medical supplies not on the pre-approved lists shall be made available to individuals, and the procedure shall use reasonable and specific criteria to assess items for coverage.
3. The Contractor shall make timely determinations of coverage, as specified in ACOM Policy 414. The Contractor shall not refuse to render a timely determination based on the member’s dual eligibility status or the providers’ contract status with the Contractor.
4. The following shall be used in determining coverage of medical equipment, medical appliances, and medical supplies:
 - a. Services shall be determined to be medically necessary, cost effective, and federally and state reimbursable,
 - b. Services shall be provided at setting in which normal life activities take place and on the member’s physician’s orders as part of a plan of care, and

- c. The member's need for medical equipment, medical appliances, and medical supplies shall be reviewed by a physician, or by a nonphysician practitioner as specified above, annually. The frequency of further physician or nonphysician practitioner review for the member's continuing need for services is determined on a case-by-case basis based on the nature of the prescribed item.
5. Services shall be authorized, set up, and maintained to maximize the member's independence and functional level in the most appropriate setting in which normal activities take place as specified in 42 CFR 440.70 (c) and A.A.C. R9-22-216.
6. The Contractor shall ensure the provider network includes a choice of vendors for customized medical equipment and medical appliances for members with special healthcare needs. The Contractor shall include, in the contract with the vendor, timeliness standards for creation, repair, and delivery of customized medical equipment and medical appliances. The Contractor shall monitor the standards and take action when the vendor is found to be out of compliance.
7. Medical equipment and medical appliances may be purchased or rented only when there are no reasonable alternative resources from which the medically necessary medical equipment and medical appliances can be obtained at no cost. Additionally, the total expense of rental cannot exceed the purchase price of the item. Rental fees shall terminate no later than the end of the month in which the member no longer needs the medical equipment or medical appliance, or when the member is no longer eligible or enrolled with AHCCCS, except during transitions as specified in AMPM Policy 520.
8. Reasonable repairs or adjustment of purchased medical equipment and medical appliances are covered when necessary to make the equipment serviceable and when the cost of the repair is less than the cost of rental or purchase of another unit.

C. FACE-TO-FACE ENCOUNTER REQUIREMENTS

1. Face-to-face encounter requirements apply to FFS only.
2. For initiation of medical equipment, medical appliances, and medical supplies, a face-to-face encounter between the member and practitioner that relates to the primary reason the member requires the medical equipment, medical appliances and/or medical supplies is required within no more than six months prior to the start of services.
3. The face-to-face encounter shall be conducted by one of the following:
 - a. The ordering physician or the ordering nonphysician practitioner as specified above, or
 - b. For members admitted to home health immediately after an acute or post-acute stay, the attending acute or post-acute physician.

The face-to-face encounter may occur through telehealth.

Face-to-face encounter requirements apply for the initiation of services only. An additional face-to-face encounter is only required if a new medical equipment, supply, or appliance is needed. Renewals, repairs, and the need for ancillary equipment do not require a face-to-face encounter.

D. INCONTINENCE BRIEFS

1. Incontinence briefs for members 21 years of age and older.
Incontinence briefs, including pull-ups and incontinence pads, are covered when medically necessary. The Contractor may require PA. For FFS providers refer to FFS PA requirements in AMPM Policy 820.
For ALTCS members 21 years of age and older, incontinence briefs, including pull-ups and incontinence pads, are also covered as specified in A.A.C. R9-28-202 in order to prevent skin breakdown when all the following are met:
 - a. The member is incontinent due to a documented medical condition that causes incontinence of bowel and/or bladder,
 - b. The PPCP or attending physician has issued a prescription ordering the incontinence briefs,
 - c. Incontinence briefs – including pull-ups and incontinence pads shall not exceed 180 briefs in any combination per month, unless the prescribing physician presents evidence of medical necessity for more than 180 briefs per month,
 - d. The member obtains incontinence briefs from vendors within the Contractor’s network, and
 - e. PA has been obtained if required by FFS, the Contractor, or Contractor’s designee, as appropriate. The Contractor shall not require a new PA to be issued more frequently than every 12 months.
2. Incontinence briefs for members under the age of 21 Years.
 - a. AHCCCS covers incontinence briefs when medically necessary.
 - b. In addition, AHCCCS also covers incontinence briefs for preventative purposes for members over the age of three and under 21 years of age as specified in AMPM Policy 430 and A.A.C. R9-22-212.

E. LIMITATIONS

1. Except for incontinence briefs as specified in this policy, personal care items including items for personal cleanliness, body hygiene, and grooming are not covered unless needed to treat a medical condition.
2. First aid supplies are not covered unless they are provided in accordance with a prescription.

F. TIMELINES FOR PROVIDING MEDICAL EQUIPMENT, MEDICAL APPLIANCES, AND MEDICAL SUPPLIES

The Contractor shall monitor and ensure that medical equipment, medical appliances, and medical supplies are provided timely. The following are minimum guidelines for providing medical equipment, medical appliances, and medical supplies:

1. Emergent needs and/or post hospitalization discharge DME and supplies of any kind are to be provided prior to discharge but no later than 24 hours after discharge.

2. Routine or non-customized DME and supplies (e.g., wheelchairs, crutches, knee scooters, stoma supplies): If PA is required: 10 days from date of the PA approval. If PA is not Required: 10 days from date of Contractors notification.
3. Customized DME (such as customized hospital beds or customized wheelchairs) shall be provided within 90 days from PA request.

G. MEDICAL EQUIPMENT SERVICE DELIVERY REPORTING

The Contractor shall submit Attachment A as specified in Contract. For each type of DME and supplies specified in the attachment, the Contractor shall report the days from the request for the service authorization to the medical equipment and supplies being provided. The Contractor shall report its performance against the established standards for DME and supplies provided in the reporting period.

The Contractor shall review its performance against its DME and supplies standards for potential network gaps and address in it as specified in ACOM Policy 415.