

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

EFFECTIVE DATES: 10/01/94, 10/01/17, 10/01/18, 10/01/20, 10/01/21¹

APPROVAL DATES: 10/01/95, 06/01/01, 10/01/01, 04/01/04, 03/03/06, 10/01/06, 02/01/07, 10/01/07, 10/01/10, 01/01/14, 10/01/14, 12/15/14, 08/01/15, 09/07/17, 06/12/18, 05/07/20, 04/01/21²

I. PURPOSE

This Policy applies to ACC, ALTCS E/PD, DCS/ Comprehensive Health Plan (CHP)³ CMDP (~~CMDP~~), DES/DDD (DDD), and RBHA Contractors; Fee-For-Service (FFS) Programs including: the American Indian Health Program (AIHP), 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 eEquipment and aAppliances are often referred to as Durable Medical Equipment (DME).

II. DEFINITIONS

MEDICAL EQUIPMENT AND APPLIANCES

~~For purposes of this Policy, the term “medical equipment” refers to both medical equipment and appliances.~~

~~Any Items, appliance, or piece of equipment (pursuant as specified in 42 CFR 440.70,) that is not a prosthetic or orthotic, and~~

1. Is customarily used to serve a medical purpose, and is generally not useful to an person-individual in the absence of an illness, disability, or injury,
2. Can withstand repeated use, and
3. Can be reusable by others or removable.

Medical equipment and appliances may also be referred to as Durable Medical Equipment (DME).⁴

MEDICAL SUPPLIES

Health care related items that are consumable or disposable, or cannot withstand repeated use by more than one individual, that are required to address an individual medical disability, illness or injury [42 CFR 440.70].

¹ Policy revised to apply program changes

² Date presented at APC meeting

³ Revised to apply name change for CMDP from Comprehensive Medical and Dental Program to Comprehensive Health Plan (CHP) effective April 1, 2021 due to CHP behavioral health integration. Refer to Laws 2019, 1st Regular Session. Change made throughout Policy and Attachment.

⁴ Added language to definition to align with contract language.

**SETTING IN WHICH
NORMAL LIFE
ACTIVITIES TAKE
PLACE**

A setting other than a hospital, nursing facility, intermediate care facility for individuals with intellectual disabilities or any setting in which payment is or could be made under Medicaid for inpatient services that include room and board.

III. POLICY

A. COVERAGE GUIDELINES

1. AHCCCS covers medically necessary Medical Equipment, Medical Appliances and Medical Supplies (including incontinence briefs), ~~and~~ under the home health services benefit, ~~that are suitable for use in any Setting in Which Normal Life Activities Take Place,~~⁵ as specified in this Policy ~~and 42 CFR 440.70~~⁶, 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 ~~beginning March 1, 2020 ordered by the~~⁷ member's nonphysician practitioner to include⁸:
 - 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 ~~p~~Programs are followed and documented as specified in this Policy.
2. Medical Equipment, Medical Appliances⁹ and Medical Supplies cannot be limited to members who are homebound.
3. Other related Policy Requirements:
 - a. Home health services ~~for ALTCS~~, as specified in AMPM Policy 1240-G and AMPM Policy 310-I
 - ~~b. Home Health Services, as specified in AMPM Policy 310-I,~~
 - ~~e.b. Occupational, Physical and Speech Therapies, as specified in AMPM Policy 310-X and AMPM Policy 1250-E;~~
 - ~~d. Rehabilitative Therapies for ALTCS, as specified in AMPM Policy 1250-E;~~
 - ~~e.c. Orthotic and prosthetic devices, as specified in AMPM Policy 310-JJ,~~
 - ~~f.d. FFS prior authorizations Requirements, as specified in AMPM Policy 820, and~~
 - ~~g.e. Institutional sServices and Settings~~¹⁰, as specified in AMPM Policy 1210.

⁵ Moved requirement outlined below

⁶ Added reference to CFR

⁷ Removed date

⁸ Clarified what nonphysician practitioners include

⁹ Included medical appliances as appropriate and capitalized if appears as the full Title throughout policy

¹⁰ Removal of policy titles

4. Examples of medically necessary mMedical eEquipment, mMedical appliances and mMedical sSupplies 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 mMedical equipment is not restricted to the items covered as DME in the Medicare program. Coverage of mMedical eEquipment and sSupplies 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 Contractors shall make timely determinations of coverage. The Contractors 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 Contractors shall ensure the provider network includes a choice of vendors for customized mMedical eEquipment and mMedical appliances for members with

- special healthcare needs. The Contractors shall include, in the contract with the vendor, timeliness standards for creation, repair, and delivery of customized mMedical eEquipment and medical appliances. The Contractors shall monitor the standards and take action when the vendor is found to be out of compliance.
7. Medical eEquipment and medical appliances may be purchased or rented only when there are no reasonable alternative resources from which the medically necessary mMedical eEquipment 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 mMedical eEquipment 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 mMedical eEquipment 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-fFace encounter requirements apply to FFS only.
2. For initiation of Medical Equipment, Medical Appliances and Mmedical Ssupplies, a fFace-to-fFace encounter between the member and practitioner that relates to the primary reason the member requires the Medical Equipment, Medical Appliances and/or Mmedical Ssupplies is required within no more than six months prior to the start of services.
3. The fFace-to-fFace encounter shall be conducted by one of the following:
 - a. The ordering physician or the ordering nonphysician practitioner as specified above.
 - b. For members admitted to home health immediately after an acute or post-acute stay, the attending acute or post-acute physician.

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

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

D. INCONTINENCE BRIEFS

1. Incontinence bBriefs for mMembers 21 years of age and older.
Incontinence briefs, including pull-ups and incontinence pads, are covered when medically necessary. The Contractors may require prior authorization. For FFS providers refer to FFS prior authorization 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 Primary Care Provider (PCP) or attending physician has issued a prescription ordering the incontinence briefs,
 - c. Incontinence briefs – including pull-ups and incontinence pads shall not exceed 180 in any combination per month, unless the prescribing physician presents evidence of medical necessity for more than 180 per month,
 - d. The member obtains incontinence briefs from vendors within the Contractor’s network, and
 - e. Prior authorization has been obtained if required by FFS, the Contractor, or Contractor’s designee, as appropriate. The Contractors shall not require a new prior authorization 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. ~~DURABLE~~¹¹ MEDICAL EQUIPMENT SERVICE DELIVERY REPORTING

The Contractors shall submit Attachment A as specified in Contract. For each type of mMedical eEquipment specified in the Attachment, the Contractor shall report the days from the request for the service authorization to the service mMedical eEquipment¹² being provided. ~~‘Provided’ includes delivery of the Medical Equipment itself and completion of installation and training to the member.~~¹³ Timeliness standards are established by AHCCCS with a goal of being provided <90 days, and included in Attachment A.¹⁴—The Contractor shall report its performance against the established standards for mMedical eEquipment—provided in the reporting period. ~~and in the cover~~

¹¹ Updated to align with name of Attachment A

¹² Updated to what is reported

¹³ Removed instructions in Attachment A

¹⁴ Added established goal

~~letter identify discrepancies between its standard and performance, strategies to address non-compliance with the standard, and any actions taken as a result of this analysis.¹⁵~~

The Contractor shall review its performance against its mMedical eEquipment standards for potential network gaps and address in it as specified in ACOM Policy 415.¹⁶s Network Development and Management Plan (NDMP).

OPEN UNTIL 04/20/21

¹⁵ Transferred this requirement to Attachment A instructions

¹⁶ Removed to reference ACOM Policy 415