

WAC 182-552-0800 Respiratory care—Covered—Oxygen and oxygen equipment. The medicaid agency follows medicare clinical guidelines for respiratory care, unless otherwise described in this chapter.

(1) The medicaid agency covers, without prior authorization, the rental of a stationary oxygen system and/or a portable oxygen system, as follows:

(a) For clients, twenty years of age and younger, when prescribed by the client's treating practitioner; or

(b) For clients, twenty-one years of age and older, when prescribed by a practitioner and the client meets medicare group I or group II clinical criteria as defined in WAC 182-552-005. Prior authorization is required for clients, twenty-one years of age and older, who do not meet medicare clinical criteria.

(2) Oxygen and oxygen equipment - Capped rental:

(a) Capped rental applies to in-home oxygen use by medical assistance clients only;

(b) The medicaid agency's payment for stationary oxygen system equipment and/or portable oxygen system equipment is limited to thirty-six monthly rental payments. During the rental period, the medicaid agency's payment includes any supplies, accessories, oxygen contents, delivery and associated costs, instructions, maintenance, servicing, and repairs;

(c) Oxygen systems are deemed capped rental (provider continues to own the equipment) after thirty-six months.

(i) The supplier who provides the oxygen equipment for the first month must continue to provide any necessary oxygen equipment and related items and services through the thirty-six month rental period unless one of the exceptions in (e) of this subsection is met.

(ii) The same provider is required to continue to provide the client with properly functioning oxygen equipment (including maintenance and repair), and associated supplies for the remaining twenty-four months of the equipment's reasonable useful lifetime (RUL).

(iii) The same provider may bill the medicaid agency for oxygen contents, disposable supplies, and maintenance fees only. Maintenance fee payment is limited to one every six months.

(d) At any time after the end of the five-year RUL for the oxygen equipment, the provider may replace the equipment, thus beginning a new thirty-six month rental period.

(e) A thirty-six month rental period may restart in the following situations only. Providers must follow the medicaid agency's expedited prior authorization process, see WAC 182-552-1300, Respiratory care—Authorization.

(i) The initial provider is no longer providing oxygen equipment or services;

(ii) The initial provider's core provider agreement with the medicaid agency is terminated or expires;

(iii) The client moves to an area which is not part of the provider's service area (this applies to medicaid only clients);

(iv) The client moves into a permanent residential setting; or

(v) The pediatric client is transferred to an adult provider.

(f) The medicaid agency may authorize a restart of the thirty-six month rental period when extenuating circumstances exist that result in a loss or destruction of oxygen equipment that occurred while the client was exercising reasonable care under the circumstances (e.g., fire, flood, etc.) (see WAC 182-501-0050(7)). Providers must obtain prior authorization from the medicaid agency.

(3) Stationary oxygen systems/contents.

(a) The medicaid agency pays a maximum of one rental payment for stationary oxygen systems including contents, per client, every thirty days. The medicaid agency considers a stationary oxygen system as one of the following:

- (i) Compressed gaseous oxygen;
- (ii) Stationary liquid oxygen; or
- (iii) A concentrator.

(b) Contents only: The medicaid agency pays a maximum of one payment for stationary oxygen contents, per client, every thirty days, when the client owns the stationary oxygen system or the capped monthly rental period is met.

(c) Maintenance: The medicaid agency pays for one maintenance fee of a stationary oxygen concentrator and oxygen transfilling equipment every six months only when the capped rental period is met or the client owns the stationary oxygen concentrator. The maintenance fee is fifty percent of the monthly rental rate.

(4) Portable oxygen systems/oxygen contents:

(a) The medicaid agency pays a maximum of one rental payment for portable oxygen systems including oxygen contents, per client, every thirty days. The medicaid agency considers a portable oxygen system to be either gas or liquid.

(b) Contents only: The medicaid agency pays a maximum of one payment for portable oxygen contents, per client, every thirty days, when the client owns the portable oxygen system or when the capped monthly rental period is met.

(c) Maintenance: The medicaid agency pays for one maintenance fee of a portable oxygen concentrator and oxygen transfilling equipment every six months only when the capped rental period is met or the client owns the portable oxygen concentrator. The maintenance fee is fifty percent of the monthly rental rate.

(5) The medicaid agency does not pay for oxygen therapy and related services, equipment or supplies for clients twenty-one years of age and older, with, but not limited to, the following conditions:

- (a) Angina pectoris in the absence of hypoxemia;
- (b) Dyspnea without cor pulmonale or evidence of hypoxemia; and
- (c) Severe peripheral vascular disease resulting in clinically evident desaturation in one or more extremities but in the absence of systemic hypoxemia.

(6) The medicaid agency does not pay separately for humidifiers with rented oxygen equipment. All accessories, such as humidifiers necessary for the effective use of oxygen equipment are included in the monthly rental payment.

(7) The medicaid agency does not pay separately for spare tanks of oxygen and related supplies as backup or for travel.

(8) The medicaid agency requires a valid prescription for oxygen in accordance with WAC 182-552-200. In addition, for both initial and ongoing prescriptions for the use of oxygen, the medicaid agency requires the following:

(a) For clients who meet medicare's group I criteria (chronic oxygen clients):

- (i) A prescription for the initial twelve months or the authorized prescriber's specified length of need, whichever is shorter, and a renewed prescription at least every twelve months thereafter; and
- (ii) Documented verification, at least every twelve months, that oxygen saturations or lab values substantiate the need for continued oxygen use for each client. For ongoing coverage, the provider may

perform the oxygen saturation measurements. The medicaid agency does not accept lifetime certificates of medical need (CMNs).

(b) For clients who meet medicare's group II criteria (borderline oxygen clients):

(i) A prescription for the initial three months or the authorized prescriber's specified length of need, whichever is shorter and a renewed prescription is required three months after the initial certification and annually thereafter.

(ii) Verification that oxygen saturations or lab values substantiate the need for continued oxygen use must be documented in the client's file. For ongoing coverage, the provider may perform the oxygen saturation measurements. The medicaid agency does not accept lifetime CMNs.

(9) The medicaid agency requires that documentation of oxygen saturation and lab values taken to substantiate the medical necessity of continued oxygen be kept in the client's record.

(10) Oxygen supplies - Replacement. The medicaid agency pays for replacement oxygen supplies after the thirty-six month capped rental period or if the client owns the equipment as follows:

(a) Nasal cannula, limited to two per client every thirty days;

(b) Tubing (oxygen), limited to one replacement per client every thirty days; and

(c) Variable concentration mask, limited to two per client every thirty days.

(11) See WAC 182-552-1200, Respiratory care—Noncovered services.

[Statutory Authority: RCW 41.05.021. WSR 12-14-022, § 182-552-0800, filed 6/25/12, effective 8/1/12.]