

Affected Programs: BadgerCare Plus, Medicaid

To: Home Health Agencies, Individual Medical Supply Providers, Medical Equipment Vendors, Nurse Practitioners, Nurses in Independent Practice, Nurse Midwives, Personal Care Agencies, Pharmacies, Physician Assistants, Physician Clinics, Physicians, HMOs and Other Managed Care Programs

New Coverage Policy for Home Ventilator Rental

This *ForwardHealth Update* announces new coverage policy for rental of home ventilators effective for dates of service on and after March 1, 2017.

Overview of New Coverage Policy

Effective for dates of service (DOS) on and after March 1, 2017, ForwardHealth's coverage of home ventilator rental will be changing as follows:

- The reimbursement rate for primary home ventilator rental and back-up or secondary rental will increase.
- Prior authorization (PA) will no longer be required for coverage of primary home ventilator rental.
- A unit of "1" will represent one calendar month of rental instead of one day of rental.
- The extended rental reimbursement policy will be eliminated.

New Primary Home Ventilator Coverage Policy

Effective for DOS on and after March 1, 2017, PA will no longer be required for ForwardHealth coverage of primary home ventilator rental for members who have a documented medical need for mechanical ventilation for acute or chronic respiratory failure, insufficient oxygenation, insufficient alveolar ventilation, or a combination of these, depending on severity.

New Back-Up or Secondary Home Ventilator Coverage Policy

When medically necessary, ForwardHealth may cover the rental of up to two home ventilators.

ForwardHealth will continue to cover a back-up or secondary home ventilator rental with PA in limited circumstances. For more information regarding coverage of back-up and secondary durable medical equipment (DME), refer to the Back-up or Secondary Durable Medical Equipment topic (topic #1730) in the Back-up or Secondary Durable Medical Equipment chapter of the Covered and Noncovered Services section of the Durable Medical Equipment service area of the ForwardHealth Online Handbook. The Online Handbook is available on the ForwardHealth Portal at www.forwardhealth.wi.gov/.

Prior Authorization Submission Criteria

Providers are required to include all of the following when submitting a PA request for coverage of back-up or secondary home ventilator rental:

- A completed Prior Authorization Request Form (PA/RF), F-11018 (05/13)
- A completed Prior Authorization/Durable Medical Equipment Attachment (PA/DMEA), F-11030 (07/12)
- A diagnosis or clinical condition and respiratory assessments from the physician that substantiate the medical necessity for ventilatory support
- Physician prescription

- Ventilator settings
- Documentation of weaning attempts and/or the potential for weaning
- Number of hours per day that the member requires mechanical ventilation
- The mechanical mode of ventilation (invasive or non-invasive)
- The amount of family or skilled care needed
- Pulmonary progress notes
- Documentation of the training on equipment use that has occurred or will occur with family and caregivers
- Documentation of the member's circumstance requiring a back-up or secondary piece of equipment
- Indication of whether or not the primary ventilator is portable

Documentation Requirements for Home Ventilators

ForwardHealth continues to require that a provider maintain the following documentation in the member's medical record for coverage of primary and back-up or secondary home ventilator rental:

- A diagnosis or clinical condition and respiratory assessments from the physician that substantiate the medical necessity for ventilatory support
- A physician prescription
- Ventilator settings
- Documentation of weaning attempts and/or the potential for weaning
- Regular (monthly) running hours reports that show daily (and/or hourly) member use of mechanical ventilation
- The mechanical mode of ventilation (invasive or non-invasive)
- The amount of family or skilled care needed
- Pulmonary progress notes
- Indication of whether or not the primary ventilator is portable
- Home environment assessment results to confirm that the residence will safely accommodate the home ventilator and auxiliary equipment
- Documentation of the training on equipment use that has occurred with family and caregivers

- Records on maintenance and repair of equipment, including DOS and descriptions of what was done
- Emergency plan in case of improper function of equipment
- Date-of-delivery documentation as outlined in the Medical Records topic (topic #202) in the Documentation chapter of the Provider Enrollment and Ongoing Responsibilities section of the Online Handbook

Noncovered Services

Back-up or secondary home ventilator rental is not covered when provided to members in a nursing home or skilled nursing home setting.

Reimbursement Changes

Effective for DOS on and after March 1, 2017, the reimbursement rate for primary home ventilator rental and back-up or secondary home ventilator rental will increase. Back-up or secondary home ventilator rental will be reimbursed at 80 percent of the primary home ventilator reimbursement. For current reimbursement rates, refer to the maximum allowable fee schedule, available on the ForwardHealth Portal.

Effective for DOS on and after March 1, 2017, the extended rental reimbursement policy will no longer apply. Reimbursement will no longer be reduced after 18 months of rental.

ForwardHealth does not separately reimburse providers for delivery, set-up, repair, maintenance, or modification of rented DME, per Wis. Admin. Code §§ DHS 107.24(5)(g) and (h).

Ventilator options, accessories, and supplies are included in the reimbursement of the home ventilator rental and are not separately reimbursable. This includes, but is not limited to, the following:

- AC/DC chargers
- Adapters
- Air/oxygen mixers
- Auto adapters

- Backpacks
- Battery boxes
- Battery packs
- Clamps
- Circuits
- Filters, both HEPA and bacteria type
- Fittings
- Generators
- Humidifiers
- Internal and additional batteries for back-up use
- Masks
- Manifolds
- Power cables/cords
- Power centers
- Power inverters
- Pressure alarms
- Pressure hoses
- Transport packs
- Tubing
- Valves

Note: It is the provider's responsibility to ensure that there is an emergency plan in place to address mechanical failure of the equipment.

Claims Submission

When submitting claims for primary and back-up or secondary home ventilator rental, providers are required to indicate one of the following allowable Healthcare Common Procedure Coding System (HCPCS) procedure codes, as applicable:

- E0465 (Home ventilator; any type, used with invasive interface, [e.g., tracheostomy tube])
- E0466 (Home ventilator; any type, used with non-invasive interface, [e.g., mask, chest shell])

Note: Due to advances in technology, some devices have multiple capabilities, including functioning as a BiPap, C-Pap, or Respiratory Assist Device (RAD). These devices should not be submitted on a claim using the above procedure codes for a home ventilator. Refer to the Durable Medical Equipment service area of the Online Handbook for coverage policy regarding respiratory equipment.

Modifiers

Effective for DOS on and after March 1, 2017, providers will be required to include the following modifiers, as appropriate on claims and PA requests for primary and back-up or secondary home ventilator rental:

- RR (Rental)
- TW (Back-up or secondary home ventilator)

Note: If the PA request for back-up or secondary home ventilator rental was approved or approved with modification with modifier 52 (Reduced Services), claims must continue to include modifier 52 until the expiration date of the PA or the claim will deny. The extended rental reimbursement policy is being eliminated; therefore, modifier 52 will no longer result in a reduced reimbursement for DOS on and after March 1, 2017. Providers should not include modifier 52 on PA requests for home ventilators submitted on and after March 1, 2017.

Unit Measure

Currently, one unit (1) equals one day. However, effective for DOS on and after March 1, 2017, one unit will represent one **calendar month** of rental. Providers will be required to indicate a unit of 1 on claims and PA requests to represent one **calendar month** of rental.

Date of Service

Providers should only indicate a single DOS on claims for primary and back-up or secondary home ventilator rental. The DOS can be any one date within the calendar month. Claims with span billing will be denied.

Previously Approved Prior Authorization Requests

Prior authorization requests for back-up and secondary home ventilator rental that were approved or approved with modification with grant dates prior to March 1, 2017, and expiration dates on or after March 1, 2017, will not require any action by providers. The services that were approved will continue to be authorized through the expiration date at the new unit measure. Providers must follow billing requirements that are applicable for the DOS.

Providers are reminded that if the PA request for back-up or secondary home ventilator rental was approved with modifier 52, claims must continue to include modifier 52 until the expiration date of the PA or the claim will deny.

Information Regarding Managed Care Organizations

This *Update* contains fee-for-service policy and applies to services members receive on a fee-for-service basis only. For managed care policy, contact the appropriate managed care organization. Managed care organizations are required to provide at least the same benefits as those provided under fee-for-service arrangements.

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Medicaid Services, the Wisconsin Department of Health Services (DHS). The Wisconsin AIDS Drug Assistance Program and the Wisconsin Well Woman Program are administered by the Division of Public Health, DHS.

For questions, call Provider Services at 800-947-9627 or visit our website at www.forwardhealth.wi.gov/.

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This *Update* was issued on 01/26/2017 and information contained in this *Update* was incorporated into the Online Handbook on 03/01/2017.