



SENIOR & LONG TERM CARE DIVISION COMMUNITY SERVICES BUREAU Home Health Policy Manual

Title: Home Health Policy 507
Section: ELIGIBLE SERVICES
Subject: Medical Supplies, Equipment and Appliances
Reference: ARM 37.40.705, 42 CFR 440.70
Supersedes: Policy 507 and 508, Issued 05/01/1999

MEDICAL SUPPLIES, EQUIPMENT AND APPLIANCES

The Medicaid Home Health Program provides medical supplies, equipment and appliances suitable for use in any setting in which normal life activities take place. Beneficiaries must meet program eligibility criteria found in HH Policy 402 to be eligible for these services.

Medical supplies, equipment and appliances must:

1. Be medically necessary;
2. Have a therapeutic or diagnostic use; and
3. Be ordered by the member's physician as a part of a plan of care.

Medical supplies, equipment and appliances must be suitable for use in any setting in which normal life activities take place, other than a hospital; nursing facility; and/or intermediate care facility for individuals with intellectual disabilities; or any setting in which payment is or could be made under Medicaid for in-patient services that include room and board.

SUPPLIES

Supplies are health related items that are consumable or disposable, or cannot withstand repeated use by more than one individual, and are required to address an individual medical disability, illness or injury.

There are two types of supplies:

1. **Routine Supplies** (non-billable) are customarily used during the course of most home care visits and are usually part of the staff's supplies and not designated for a particular member. These supplies are included in the rate per visit of Home Health services. Routine supplies would not include those that are ordered by a physician or are essential to Home Health personnel to effectively carry out the plan of care.

Routine supply examples include but are not limited to:

- Swabs, alcohol preps, and skin prep pads;
- Non-sterile applicators;
- 4X4s
- Gowns
- Tape removal pads;
- Cotton balls; and
- Masks.

There are conditions when supplies, normally considered routine, are required in quantity for recurring needs and are included in the plan of care. These supplies would be considered **non-routine** and would be considered billable through the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Program (DMEPOS). Examples include, but are not limited to: tape and 4X4s for major dressings.

2. **Non-Routine Supplies** (billable) are supplies which are ordered specifically by a physician and are necessary to perform the services which have been ordered by the physician.

Non-Routine Supplies are identified by the following conditions:

- a. The item follows a consistent charging practice for Medicaid and non-Medicaid beneficiaries receiving the item;
- b. The item is directly identifiable to an individual member; and
- c. The item is furnished at the direction of the member's physician and specifically identified in the plan of care.

Example of non-routine supplies include but are not limited to:

- Catheter supplies;
- Dressing changes and wound care;

- Enteral, parenteral and venipuncture supplies; and
- Miscellaneous such as ostomy supplies and dressing changes, elastic bandages, tracheostomy care trays.

NOTE: Limited amounts of medical supplies may remain in the home between visits when repeated application of a treatment are required and documented as being performed by other caregivers. These items must be part of the plan of care. In post payment review, Medicaid will deny the supplies if there are no documentation of their use by the member or family.

EQUIPMENT AND APPLIANCES

Equipment and appliances are items that are primarily and customarily used to serve a medical purpose, generally are not useful to an individual in the absence of a disability, illness or injury, can withstand repeated use, and can be reusable or removable.

State Medicaid coverage of equipment and appliances is not restricted to the items covered as durable medical equipment in the Medicare program.

A member's need for equipment and appliances must be reviewed annually. Frequency of further physician review of a member's continuing need for the items is determined on a case-by-case basis, based on the nature of the item prescribed.

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FACE-TO-FACE ENCOUNTERS

For initial ordering of medical equipment and appliances, the physician or authorized non-physician practitioner (NPP) must document that a face-to-face (F-T-F) encounter has occurred and is related to the primary reason the member requires medical equipment. This encounter must have occurred no more than 6 months prior to the start of services. For more information on F-T-F encounters refer to Home Health Policy 406.

COVERAGE AND PRIOR AUTHORIZATION

Medical supplies, equipment and appliances, suitable for use in any setting in which normal life activities take place, are provided in accordance with a physician review and other requirements specified in 42 CFR 440.70 (3) through the Durable Medical Equipment, Prosthetic, Orthotic and Medical Supply Program (DMEPOS). Medical supplies, equipment and appliances included in the plan of care are subject to the coverage, prior authorization requirements and limitations of the DMEPOS Program. Home Health program medical supplies, equipment and appliance rates will be paid according to the DMEPOS Fee Schedule.

For items not included on the DMEPOS Fee Schedule, beneficiaries are afforded the opportunity to establish that an item in question is medically necessary and within the overall state definition of covered medical equipment and consistent with the federal and state regulatory framework.