

# Policy

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<b>DEPARTMENT:</b> Utilization Management	<b>POLICY #:</b> UM.042
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## Table of Contents

<b>Purpose</b> .....	<b>2</b>
<b>Definitions, Abbreviations, and Acronyms</b> .....	<b>2</b>
<b>Policy</b> .....	<b>2</b>
<b>Coverage Criteria</b> .....	<b>2</b>
<b>Specialized Criteria: Automatic External Defibrillators</b> .....	<b>3</b>
<b>Change Log</b> .....	<b>3</b>

## Purpose

Durable medical equipment is equipment which can withstand repeated use, is primarily and customarily used to serve a medical purpose, is generally not useful to a person in the absence of an illness or injury, and is appropriate for use in the home. This definition is outlined in Chapter 15- Covered Medical and Other Health Services of the Medicare Benefit Policy Manual. This policy outlines the coverage criteria for Durable Medical Equipment.

## Definitions, Abbreviations, and Acronyms

Acronym	Meaning
DME	Durable Medical Equipment

## Policy

Prior authorization is required for DME. Common DME used include hospital beds, wheelchairs, ventilators, and oxygen equipment. This policy outlines the prior authorization requirements and coverage criteria for DME. These coverage criteria are taken from the Medicare Benefit Policy Manual Chapter 15.

## Coverage Criteria

As defined by CMS in the Medicare Benefit Policy Manual Chapter 15, DME must be provided in a beneficiary's home.

An institution may not be considered a beneficiary's home if it:

- Meets at least the basic requirement (see §1861(e)(1) of the Social Security Act (the Act)) in the definition of a hospital, i.e., it is primarily engaged in providing by or under the supervision of physicians, to inpatients, diagnostic and therapeutic services for medical diagnosis, treatment, and care of injured, disabled, and sick persons, or rehabilitation services for the rehabilitation of injured, disabled, or sick persons; or
- Meets at least the basic requirement (see §1819(a)(1) of the Act) in the definition of a skilled nursing facility, i.e., it is primarily engaged in providing to inpatients skilled nursing care and related services for patients who require medical or nursing care, or rehabilitation services for the rehabilitation of injured, disabled, or sick persons

Thus, if an individual is a patient in an institution or distinct part of an institution which provides the services described in the bullets above, the individual is not entitled to have separate Part B payment made for rental or purchase of DME. This is because such an institution may not be considered the individual's home.

As indicated in §2164 of the SOM, Chapter 2, all hospitals and SNFs that are Medicare-certified are automatically considered to meet the basic requirement described in the applicable bullet above by reason of the Medicare certification itself. Moreover, even an institution (or portion of an institution) that is not certified for Medicare is precluded from being considered a patient's home in this context if it meets either of these basic requirements.

In summary, a beneficiary whose primary residence is a nursing facility that is Medicare certified as outlined above, is ineligible for DME to be covered under Medicare Part B.

Per the Medicare Program Integrity Manual Chapter 5, orthotic and prosthetic devices are not subject to the "home use" requirement for coverage and payment purposes. Members living in a nursing facility may have their prosthetics or orthotics covered by the plan so long as prior authorization requirements are met. Coverage criteria is established by Medicare through LCDs, NCDs, and the Medical Benefit Policy Manual.

## Specialized Criteria: Automatic External Defibrillators

Automatic External Defibrillators such as the Life Vest are unique in that they are categorized as DME for Medicare purposes. Longevity Health considers a Life Vest as a covered benefit regardless of place of service so long as the medical coverage criteria outlined in L33690 Automatic External Defibrillators is met.

## Change Log

Document Version	Major or Minor Revision?	Date	Name	Comments
1.0	New	12/15/2024	Stefanie Caswell	New
2.0	Minor	12/11/2025	Stefanie Caswell	Addition of coverage criteria for Automatic External Defibrillators