# Respiratory Equipment

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18.1 Enrollment
Durable Medical Equipment (DME) providers must be actively enrolled in the Texas Medicaid Program, have a valid Provider Agreement with CSHCN, have completed the CSHCN enrollment process, and comply with all applicable state laws and requirements.

18.2 Reimbursement
Respiratory equipment is reimbursed at the lower of the billed amount or the amount allowed by the Centers for Medicare & Medicaid Services (CMS), if available, or the Texas Medicaid Program.
The provider must agree to accept CSHCN’s reimbursement as payment in full.
Reimbursement of rented equipment includes all supplies, accessories, adjustments, repairs, or replacement parts needed during the rental period.
Providers must have the client or the client’s representative complete the Documentation of Receipt for Durable Medical Equipment (DME) form when the DME is delivered to the client. An example of this form is provided on page C-36. The date of delivery on the Documentation of Receipt for Durable Medical Equipment (DME) form is the date of service that should appear on the claim. The provider should retain this form; do not submit it with the claim.
Repairs are reimbursed at list price of part plus labor time. Use procedure code 9-E1340, Repair for DME, per 15 min, when requesting authorization and/or claim submission.

18.2.1 Apnea Monitors
Electrodes and lead wires for the apnea monitor are reimbursed separately only if the client owns the monitor.

18.2.2 High Frequency Chest Wall Compression Systems
The rental fees for these systems are applied to the purchase price of the compressor; therefore, a new compressor is provided at the onset of the rental period.
High frequency chest wall (HFCW) compression systems are a once-in-a-lifetime purchase as the manufacturer provides a life time warranty.
Replacement of the HFCW vest may be considered if documentation indicates that the client has outgrown the vest.
High frequency chest wall compression systems will not be purchased or rented if the CSHCN Program has previously purchased a cough stimulating device or intrapulmonary percussive ventilation system for the client.

18.2.3 Pulse Oximeters
Level 1 oximeters should be billed using code E0445. Level 2 oximeters must include modifier TF.
Level 3 oximeters must include modifier TG. Oximeters may be reimbursed for rental up to six months. Extensions will be considered with documentation of medical necessity. Rental includes probes.
Purchase may be considered with documentation of medical necessity.

18.2.4 Tracheostomy Tubes
Use codes A7520, A7521, or A7522 when billing tracheostomy tubes. Add modifier TF when billing a tracheostomy with specialized functions. Add modifier TG when billing a custom made tracheostomy.
18.3 Benefits and Limitations

CSHCN may reimburse the rental or purchase of medically necessary and appropriate respiratory equipment. The item must be prescribed by a licensed physician, and be covered by CSHCN. Equipment may be rented or purchased depending on the cost effectiveness of the action requested. In general, equipment is purchased if it is needed for more than six months. CSHCN purchases only new, unused equipment. Reimbursement of rented equipment includes all supplies, accessories, adjustments, repairs, or replacement parts needed during the rental period.

**Exception:** Oxygen concentrators, intrapulmonary percussive ventilation systems, and cough stimulating devices are rented, not purchased, because of high maintenance costs and frequency of required repairs.

Repairs are considered if the item was purchased by CSHCN, or is an item on the CSHCN-approved list, but obtained from another source. The repair must be cost-effective when compared to the replacement cost. CSHCN considers requests for coverage for the following types of respiratory equipment:

**Rental or purchase of:**
- Suction equipment
- Electric percussors for chest physiotherapy
- High frequency chest wall compression systems (HFCW)
- Medical grade or “heavy duty” air compressors
- Continuous positive airway pressure (CPAP) or bi-level positive airway pressure (BiPAP) machines (BiPAP machines will only be provided to clients who have did not have success with CPAP)
- Immersion heaters
- Ventilators and supplies

**Rental of:**
- Stationary gaseous oxygen cylinders or liquid oxygen systems (stands, carts, regulators, oxygen conservers, and carrying cases are included in the rental reimbursement)
- Oxygen concentrators (a back up cylinder of gaseous oxygen is included in the rental reimbursement)
- Portable gaseous oxygen cylinders (stands, carts, regulators, oxygen conservers, and carrying cases are included in the rental reimbursement)
- Intermittent positive pressure breathing machines (IPPB)
- Apnea monitors (all apnea monitors provided to CSHCN clients must be capable of recording and storing data regarding apneic episodes), see Authorization and Reimbursement sections for additional information regarding rental of apnea monitors
- Pulse oximeters, see Authorization and Reimbursement sections for additional information regarding rental of pulse oximeters
- Cough stimulating devices (Coffalator)
- Intrapulmonary percussive ventilation system (IPV)

**Purchase of:**
- Liquid or gaseous oxygen contents or refills for client owned equipment
- Oxygen humidification devices (i.e. cascade device)
- Ambu bag
- Tracheostomy tubes and supplies
- Flutter valves
- Nebulizers

CSHCN will consider the following two situations with documentation of medical necessity:
- Requests for rental or purchase of duplicate items to be used in two different locations. CSHCN will not pay for rental or purchase when providing the items are the legal responsibility of a school district or the Texas Department of Assistive and Rehabilitative Services (DARS).
- Requests to replace items purchased within the last two years.
CSHCN may cover the following items under the Family Support Services benefit:

- Room air vaporizers or humidifiers
- Rental of substitute equipment when a purchased item that is covered under warranty is being repaired
- Air filtering systems
- Specialized vacuum cleaners
- Air conditioners
- Dehumidifiers

Contact DSHS-CSHCN at 1-800-252-8023 for additional information about the Family Support Services benefit.

Specific procedure or diagnosis codes related to program benefits and coverage are listed in this chapter. These listings are intended to provide helpful information, but should not be considered all-inclusive. From time to time, codes are added, deleted, or revised. Coverage and coding information is updated in the CSHCN Provider Bulletin. Call the TMHP-CSHCN Contact Center at 1-800-568-2413 with questions regarding procedure or diagnosis codes.

### 18.4 Authorization

Respiratory equipment requires authorization. Requests for authorization must be submitted in writing and must include documentation of medical necessity. See the Authorization Request for Durable Medical Equipment (DME) on page C-28.

**Note:** Fax transmittal confirmations are not accepted as proof of timely authorization submission.

#### 18.4.1 Nebulizers

Nebulizers do not require authorization for clients for the following diagnoses:

<table>
<thead>
<tr>
<th>Diagnosis Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>27700–27709</td>
<td>Cystic fibrosis</td>
</tr>
<tr>
<td>4660–46619</td>
<td>Acute bronchitis and bronchiolitis</td>
</tr>
<tr>
<td>4803</td>
<td>Pnuemonia due to SARS-associated coronavirus</td>
</tr>
<tr>
<td>49300–49392</td>
<td>Asthma</td>
</tr>
<tr>
<td>4940–4941</td>
<td>Bronchiectasis</td>
</tr>
<tr>
<td>5070–5071</td>
<td>Pnuemonitis</td>
</tr>
<tr>
<td>5173</td>
<td>Acute chest syndrome</td>
</tr>
<tr>
<td>7450–7457</td>
<td>Bulbus cordis anomalies and anomalies of cardiac septal closure</td>
</tr>
<tr>
<td>7459</td>
<td>Unspecified defect of septal closure</td>
</tr>
<tr>
<td>74600–7465, 7467–7473</td>
<td>Other congenital anomalies of heart</td>
</tr>
<tr>
<td>74741–74749</td>
<td>Anomalies of great veins</td>
</tr>
</tbody>
</table>

Ultrasonic Nebulizers do not require authorization with one of the following diagnoses:

<table>
<thead>
<tr>
<th>Diagnosis Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>042</td>
<td>Human immunodeficiency virus (HIV)</td>
</tr>
<tr>
<td>1363</td>
<td>Pneumocystosis</td>
</tr>
<tr>
<td>27700</td>
<td>Cystic fibrosis, without mention of meconium ileus</td>
</tr>
<tr>
<td>27701</td>
<td>Cystic fibrosis, with meconium ileus</td>
</tr>
</tbody>
</table>

Prior authorization with documentation of medical necessity is required for all other diagnoses.
18.4.2 Apnea Monitors

Authorization is not required for apnea monitors for infants up to two months old with the following diagnoses:

<table>
<thead>
<tr>
<th>Diagnosis Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>53010</td>
<td>Esophagitis, unspecified</td>
</tr>
<tr>
<td>53011</td>
<td>Reflux esophagitis</td>
</tr>
<tr>
<td>53012</td>
<td>Acute esophagitis</td>
</tr>
<tr>
<td>53019</td>
<td>Other esophagitis</td>
</tr>
<tr>
<td>53020</td>
<td>Ulcer of esophagus without bleeding</td>
</tr>
<tr>
<td>53021</td>
<td>Ulcer of esophagus with bleeding</td>
</tr>
<tr>
<td>53081</td>
<td>Esophageal reflux</td>
</tr>
<tr>
<td>53085</td>
<td>Barrett’s esophagus</td>
</tr>
<tr>
<td>7707</td>
<td>Bronchopulmonary dysplasia</td>
</tr>
<tr>
<td>77081</td>
<td>Primary apnea of newborn</td>
</tr>
<tr>
<td>77082</td>
<td>Other apnea of newborn</td>
</tr>
<tr>
<td>77083</td>
<td>Cyanotic attacks of newborn</td>
</tr>
<tr>
<td>77084</td>
<td>Respiratory failure of newborn</td>
</tr>
<tr>
<td>77089</td>
<td>Other respiratory problems after birth</td>
</tr>
<tr>
<td>78603</td>
<td>Apnea</td>
</tr>
<tr>
<td>V198</td>
<td>Family history of other conditions; sudden infant death syndrome</td>
</tr>
</tbody>
</table>

Prior authorization with documentation of medical necessity is required for other diagnoses for infants up to 2 months of age, and for any diagnosis for infants 2 to 4 months of age.

Prior authorization with medical review by CSHCN staff is required for infants over 4 months of age.

Documentation must be submitted to the claims contractor. Documentation should include information supporting medical necessity. This must include interpretation of previous apnea monitor downloads, signed and dated by the physician interpreting the download, when the infant has had previous monitoring and documentation that the apnea monitor to be rented is capable of recording and storing data. Providers should use the Authorization Request for Apnea Monitor Rental available on page C-43.

Leads and electrodes for use with an apnea monitor owned by the client must be authorized. CSHCN requires a physician statement submitted with the claim declaring that the client does own the monitor.

18.4.3 High Frequency Chest Wall Compression Systems (HFCW)

Prior authorization for purchase of a high frequency chest wall compression system may be considered for clients with the following diagnoses:

<table>
<thead>
<tr>
<th>Diagnosis Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>27700–27709</td>
<td>Cystic Fibrosis</td>
</tr>
<tr>
<td>3591</td>
<td>Hereditary progressive muscular dystrophy; Duchenne’s only</td>
</tr>
<tr>
<td>33510–33519</td>
<td>Spinal muscular atrophy</td>
</tr>
<tr>
<td>3430–3439</td>
<td>Cerebral Palsy</td>
</tr>
</tbody>
</table>

Documentation of medical necessity must include the following information:

- Why other modes of chest physiotherapy have not been effective for the client. Include information about other modes used with the client.
- Results of pulmonary function tests done in last six months.
- Hospitalizations or infections requiring I.V. antibiotics in the last six months.
• Work or school absences over the last six months due to problems related to respiratory condition.
• If the client has had to discontinue sports or other extracurricular activities due to fatigue related to respiratory condition.

If documentation supports the need for a HFCW system, a six-month rental trial may be approved. At the end of the six-month trial the following information should be sent with the request to purchase the generator for the client:
• Pulmonary function test (PFT) results from the final month of rental
• Evidence of clinical improvement, other than PFTs, including improved work or school attendance, or ability to participate in extracurricular activities
• The frequency and compliance graphs generated by the compressor for the six-month period indicating compliance with the physician’s prescription

Document the information on the Authorization Request for Chest Physiotherapy Devices form located on page C-44.

18.4.4 IPVs and Cough Stimulating Devices
IPVs and cough stimulating devices may be rented for three months. Documentation of medical necessity must include the following information:
• Why other modes of chest physiotherapy have not been effective for the client. Include information about other modes used with the client.
• Results of pulmonary function tests done in last six months.
• Hospitalizations or infections requiring i.v. antibiotics in the last six months.
• Work or school absences over the last six months due to problems related to respiratory condition.
• If the client has had to discontinue sports or other extracurricular activities due to fatigue related to respiratory condition.

Rental beyond the initial three-month period will be considered with the following documentation:
• Pulmonary function test (PFT) results from the final month of rental
• Evidence of clinical improvement, other than PFTs, including improved work or school attendance, or ability to participate in extracurricular activities

Document the information on the Authorization Request for Chest Physiotherapy Devices form located on page C-44.

18.4.5 Pulse Oximeters
Pulse oximeters may be prior authorized for clients meeting the following criteria:

Level 1
• Client is oxygen and/or ventilator dependent for short periods (<8 hours/day), or
• Client is clinically stable and is weaning off the oxygen and/or ventilator, or
• Client has another condition that requires monitoring of oxygen saturation.

Level 1 monitoring is generally not continuous or for long periods of time.

Level 2
• Client is oxygen and/or ventilator dependent between 8 through 16 hours/day and
• Client needs continuous monitoring during sleep, or
• Client needs continuous monitoring to maintain optimal O₂ saturation levels and
• There is a caregiver identified and present who has been trained in use of the oximeter and how to respond to readings in a medically safe way.

Level 3
• Client has a frequent need for changes in oxygen and ventilator setting, and
• Client is oxygen and/or ventilator dependent for 16 to 24 hours/day, and
• Client is being weaned from oxygen and/or ventilator, and
• Client is requiring frequent oxygen and/or ventilator changes or other difficulties in weaning, and
• Client requires equipment that compensates for movement or provides more complex readouts, or
• Client requires monitoring capabilities and
• There is a caregiver identified and present who has been trained in use of the oximeter and how to respond to readings in a medically safe way.

Document the information on the Authorization Request for Pulse Oximeter Devices form located on page C-45.

18.4.6 Tracheostomy Tubes
Standard tracheostomy tubes do not require prior authorization. For tracheostomy tubes with special functions (e.g. Passy-Muir speaking valve) the modifier TF must be added to the appropriate procedure code. For custom made tracheostomy tubes add the modifier TG to the appropriate procedure code. Documentation of medical necessity must accompany the prior authorization request along with the manufacturer’s suggested retail price.

One tracheostomy tube and/or one inner cannula is covered per month. If a client has a custom tracheostomy tube, no inner cannulas will be authorized. All other respiratory equipment must be authorized. Documentation of medical necessity for the item must accompany the claim.

18.5 Claims Information
DME services must be submitted to TMHP in an approved electronic format or on the HCFA-1500 claim form. Providers may purchase HCFA-1500 claim forms from the vendor of their choice. TMHP does not supply the forms.

When completing an HCFA-1500, all pertinent information must be included on the claim, because information is not keyed from attachments. Superbills, or itemized statements, are not accepted as claim supplements.

Instructions for proper claims completion are provided on page C-2. Blocks that are not referenced are not required for processing by TMHP and may be left blank.