Pulse Oximeter Benefit Changes for All Ages Effective March 1, 2017

Information posted January 4, 2017

Note: All new and updated procedure codes are proposed benefits pending a rate hearing and approval of expenditures. New and updated benefits must complete the rate hearing process in order to receive comments on proposed Texas Medicaid reimbursement rates. Providers will be notified when the rates and expenditures are approved.

Note: This article applies only to claims submitted to TMHP for processing. Refer to the Medicaid managed care organizations (MCO) for information about benefits, limitations, prior authorization, reimbursement, and MCO specific claim processing procedures.

Effective for dates of service on or after March 1, 2017, benefit criteria will change for pulse oximeters obtained through Texas Medicaid.

Overview of Benefit Changes for Clients of All Ages

- Short-term pulse oximeter rental is covered for clients of any age without prior authorization, limited to one month, every six months
- Pulse oximeter probes are included in the pulse oximeter rental
- Reusable pulse oximeter probes are a benefit for client-owned equipment.
- Reusable and disposable pulse oximeter probes for client-owned equipment do not require prior authorization with the defined limitations of the benefit.

Short Term Pulse Oximetry for All Ages

A pulse oximeter (procedure code E0445) required for short-term use, defined as one month rental every six months may be a benefit when medically necessary and does not require prior authorization for clients with one of the following conditions:

- When weaning the client from home oxygen
- When a change in the client's condition requires an adjustment in the liter flow of their home oxygen treatment
- To determine the client's appropriate home oxygen liter flow for ambulation, exercise, or sleep
- To determine the client's appropriate home oxygen liter flow for those who have neuromuscular disease involving the respiratory muscles, with chronic lung disease, or with severe cardiopulmonary disease

Short Term Pulse Oximeter Procedure Code Table

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<thead>
<tr>
<th>Procedure Code</th>
<th>Use for</th>
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<tbody>
<tr>
<td>E0445</td>
<td>Use for short-term rental, one calendar month every six months; a modifier is not required</td>
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</table>

Short-term pulse oximetry that is medically necessary more frequently than once every six months requires prior authorization and will be considered by a medical director.
when submitted with a completed *Home Health Services (Title XIX) DME/Medical Supplies Physician Order form*, signed and dated by the treating physician and with documentation of medical necessity, such as:

- When weaning from a ventilator or oxygen and an earlier weaning attempt was unsuccessful,
- Documentation of changes in the client's condition since the failed weaning attempt.

**Pulse Oximeter Probes for All Ages**

Pulse oximeter related supplies are included in the pulse oximeter rental, do not require prior authorization within the defined limits for client-owned equipment, and are limited as follows:

- Disposable pulse oximeter probes (procedure code A4606) are limited to four per month
- Reusable pulse oximeter sensor probes (procedure code A4606 with modifier U5) are limited to one every six months

**Disposable and Reusable Sensor Probes Procedure Codes and Modifier Table**

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<thead>
<tr>
<th>Procedure &amp; Modifier</th>
<th>Use</th>
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<tbody>
<tr>
<td>A4606</td>
<td>Use for <em>disposable</em> oxygen probe, no modifier required</td>
</tr>
<tr>
<td>A4606-U5</td>
<td>Use for <em>reusable</em> oxygen probe</td>
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Pulse oximeter probes (procedure codes A4606 and A4606 with modifier U5) are included in the pulse oximeter equipment rental. Pulse oximeter probes will be denied if billed with pulse oximeter equipment (procedure codes E0445 and E0445-U4) in the same month of service by any provider.

**Long-Term Pulse Oximetry for Clients Birth through 20 Years of Age**

- Long-term rental and purchase of a pulse oximeter are available to clients under the age of 20 years and continue to require prior authorization and must be requested with modifier U4.

A pulse oximeter required for long-term use (procedure code E0445 billed with modifier U4), defined as periods longer than one calendar month every six months, may be a benefit for rental or purchase with documentation of medical necessity when provider through Texas Medicaid Comprehensive Care Program (CCP) Services with prior authorization.

**Long-Term Pulse Oximeter Procedure Code and Modifier Code Table**

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<th>Procedure Code and Modifier Code</th>
<th>Use for</th>
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(A table is implied but not provided in the text.)
A long-term pulse oximeter must be a device that:

- Is a bedside or tabletop device.
- Provides continuous oxygen saturation monitoring.
- Requires use of wired probes.
- Has battery and alternating current (A/C) capability.

Prior Authorization

HHSC or its designee will determine whether the long term pulse oximeter equipment will be rented, purchased, or repaired based on the client’s needs and expected duration of use. Only new, unused equipment will be purchased.

Prior authorization is required for rental or purchase of a long-term pulse oximeter. The prior authorization request must include the following documentation:

- A completed CCP Prior Authorization Request form
- Documentation of the cause of the oxygen lability

Documentation that a caregiver or medical healthcare provider is present who has been trained in use of the oximeter and how to respond to readings in a medically safe and appropriate manner, and the client meets one of the following criteria:

  - Client is oxygen or ventilator dependent and has respiratory system instability as per the documentation
  - Client experiences respiratory complications that requires equipment that has oxygen saturation monitoring capabilities

A long-term pulse oximeter may be prior authorized for monthly rental up to a maximum of six months. Recertification for an additional six-month period may be considered for a maximum of six additional months.

A long-term pulse oximeter will be considered purchased and owned by the client when the total monthly payments equal the purchase cost for the equipment. Prior authorization for purchase or continued rental of the long-term pulse oximeter at the end of a 12-month rental period will not be considered.

A long-term pulse oximeter may be prior authorized for purchase when a purchase is determined to be more cost effective than leasing the device with supplies.

Services That Are Not a Benefit

A long-term pulse oximeter used to monitor a client with a history of seizure activity is not routinely recommended for seizures as there is no evidence that it reduces seizure duration, reduces harm from prolonged seizures, or improves quality of life for the child or family.

For more information, call the TMHP Contact Center at 1-800-925-9126.