



OXYGEN THERAPY AND OXYGEN SUPPLIES

Corporate Medical Policy

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Document Precedence

BCBSVT Medical Policies are developed to provide guidance for members and providers regarding coverage in accordance with all terms, conditions and limitations of the subscriber contract. Benefit determinations are based in all cases on the applicable contract language. To the extent that there may be any conflict between Medical Policy and contract language, the contract language takes precedence.

Medical Policy

Description

Oxygen is administered by inhalation-utilizing devices that provide controlled oxygen concentrations and flow rates to the patients.

Oxygen therapy should maintain adequate tissue and cell oxygenation while trying to avoid oxygen toxicity.

Monitoring of the patient's condition takes place to assure that the patient is receiving the proper mixtures of gases, mists, and aerosols.

Oxygen supplies are those items necessary for the administration of oxygen to the home patient.

Policy

Oxygen and oxygen supplies are considered **medically necessary** for appropriately selected patients only in cases when oxygen is prescribed by a physician, and the prescription must specify:

- a diagnosis of the disease requiring use of oxygen;
- oxygen concentration and flow rate;
- frequency of use (if an intermittent or leave in oxygen therapy, order must include time limits and specific indications for initiating and terminating therapy);
- method of delivery; and
- duration of use (if the oxygen is prescribed on an indefinite basis, care must be periodically reviewed to determine whether a medical need continues to exist).

Recertification is required by the Plan:

- every six (6) months for members with short-term oxygen therapy;
- every twelve (12) months for members with long-term oxygen therapy.

Oxygen therapy is **medically necessary** when:

1. Severe lung disease, with either: a resting arterial oxygen partial pressure (PaO₂) below 55 mm Hg; or a O₂ saturation less than 90% (documented by arterial blood gas or pulse oximetry **at rest on room air**); and symptoms associated with severe oxygen deprivation, such as impairment of cognitive processes, restlessness, or insomnia, or clinical findings which would be expected to improve with oxygen therapy, such as:
 - Chronic obstructive pulmonary disease (COPD);
 - Pulmonary fibrosis;
 - Cystic fibrosis (CF);
 - Bronchiectasis;
 - Recurring congestive heart failure due to chronic cor pulmonale;
 - Chronic lung disease complicated by erythrocytosis (hematocrit >56%);
 - Erythrocytosis requiring repeated phlebotomies with hematocrit greater than 56%;
 - Cor pulmonale with P wave greater than or equal to 3mm in lead II, III or AVF.
2. Cluster headaches when other treatment fails.

Patients who desaturate to an O₂ saturation less than or equal to 90% **only during exercise** and who demonstrate improvement in both hypoxia and dyspnea or exercise capacity when using supplemental O₂ are candidates for **supplemental O₂ during exercise only**.

Portable oxygen systems are considered **medically necessary** only if the patient ambulates on a regular basis and under the following circumstances:

- Portable oxygen systems are considered eligible for coverage only when necessary to complement the medical needs of a patient who requires a stationary system.
- The physician's prescription must include the circumstances under which the portable system will be used; for example, the medical purpose to be served by the portable oxygen which cannot be met by the stationary system.
- Portable systems must be of a design, size, weight, and capacity as to be compatible with the patient's physical capability to handle the apparatus.
- "E" cylinders normally do not qualify as a portable oxygen system; however, there may be instances when an "E" cylinder may be considered medically necessary even though the patient has a stationary tank at bedside. These requests will be reviewed on an individual basis by the Plan.

Coverage is provided for routine oxygen supplies when medical necessity criteria are met and may include the following:

- Portable oxygen systems;
- Mask or nasal cannula;
- Maxi-mist;
- Nebulizer;
- Oxygen gauge;
- Oxygen humidifier;
- Oxygen tubing.

Oxygen therapy is **not medically necessary** for the following conditions:

- Angina pectoris in the absence of hypoxemia;
- Breathlessness without evidence of hypoxemia;
- Severe peripheral vascular disease resulting in clinically evident desaturation in one or more extremities;
- Terminal illnesses that do not affect the lungs.

The following components of oxygen therapy are considered **not medically necessary** and thus are not eligible for coverage as separate services:

- Oxygen and oxygen supplies in facilities that are expected to supply such items;
- Setup or installation of respiratory support systems;
- Preset regulators (flow rate not adjustable) used with portable oxygen systems. A preset unit is designed to be a first aid item.
- Regulators that permit a flow rate greater than 8 liters per minute, as these units are not appropriate for home use;
- An excessive number of spare tanks, as they are considered a convenience item only;
- Oxygen prescribed for use as needed (i.e., for emergency or standby oxygen systems).

Administrative and Contractual Guidance

Benefit Determination Guidance

Prior approval is required and benefits are subject to all terms, limitations and conditions of the subscriber contract.

For New England Health Plan (NEHP) members an approved referral authorization is required.

Benefits for FEP members may vary. Please consult the FEP Service Benefit Plan Brochure.

Benefits for oxygen therapy are on **a rental basis only** when medical necessity criteria are met.

The rental of oxygen tanks is eligible for coverage subject to the Durable Medical Equipment Benefit in the subscriber contract.

Charges for oxygen carts, racks, or stands are included in the suppliers' fee for use of the oxygen tank and are not eligible for coverage as a separate service.

If more than one tank is required in a month, the cost of the oxygen contained in two tanks will be covered; however, rental will be paid for the initial tank only. Oxygen quantities that exceed two refills per month will be reviewed for medical necessity on an individual basis.

Eligible Providers

Durable Medical Equipment and Supplies providers
Hospitals

Related Policies

Durable Medical Equipment (DME) and Supplies
Nebulizers

Policy Implementation/Update information

03/2007 New Policy, Reviewed by CAC 05/2007

01/2008 annual review-changes made. Reviewed by CAC 03/2008

10/2011 Updated and transferred to new format. Minor language changes. Coding table added. Title changed from Oxygen Therapy to Oxygen Therapy and Oxygen Supplies

Medical/Clinical Coder reviewed and approved coding 10/24/11 SAF

Scientific Background and Reference Resources

A search of literature was completed through the MEDLINE database from January 1990 through September 1996. The search strategy focused on references containing the following Medical Subject Heading:

- Oxygen

Research was limited to English-language journals on humans.

See also:

Medicare Guidelines on Oxygen

BCBSNC Medical Policy on Oxygen and Oxygen Supplies 10/2009

Approved by BCBSVT Medical Directors

Date Approved

Antonietta Sculimbrene MD
Chair, Medical Policy Committee

Robert Wheeler MD
 Chief Medical Officer

ATTACHMENT I

**Oxygen Therapy and Oxygen Supplies
 PA Required for all services**

Code Type	Number	Brief Description	Policy Instructions
HCPCS	E0424	Stationary compressed gaseous oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing	
HCPCS	E0431	Portable gaseous oxygen system, rental; includes portable container, regulator, flowmeter, humidifier, cannula or mask, and tubing	
HCPCS	E0433	Portable liquid oxygen system, rental; home liquefier used to fill portable liquid oxygen containers, Includes: portable containers , regulator, flowmeter, humidifier, cannula or mask, and tubing, with or without supply reservoir and contents gauge	
HCPCS	E0434	Portable liquid oxygen system, rental; includes portable container, supply reservoir, humidifier, flowmeter, refill adaptor r, contents gauge, cannula or mask, and tubing	
HCPCS	E0439	Stationary liquid oxygen system; rental, includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing	

HCPCS	E0441	Stationary oxygen contents, gaseous, 1 month's supply = 1 unit	
HCPCS	E0442	Stationary oxygen contents, liquid, 1 month's supply = 1 unit	
HCPCS	E0443	Portable oxygen contents, gaseous, 1 month's supply = 1 unit	
HCPCS	E0444	Portable oxygen contents, liquid, 1 month's supply = 1 unit	
HCPCS	E1354	Oxygen accessory, wheeled cart for portable oxygen cylinder or portable concentrator, any type, replacement only, each	Rules for replacement of DME apply-see BCBSVT Policy on Durable Medical Equipment
HCPCS	E1356	Oxygen accessory, battery pack/cartridge for portable concentrator, any type, replacement only, each	Rules for replacement of DME apply-see BCBSVT Policy on Durable Medical Equipment
HCPCS	E1357	Oxygen accessory, battery charger for portable concentrator, any type, replacement only, each	Rules for replacement of DME apply-see BCBSVT Policy on Durable Medical Equipment
HCPCS	E1358	Oxygen accessory, DC power adapter for portable concentrator, any type, replacement only, each	Rules for replacement of DME apply-see BCBSVT Policy on Durable Medical Equipment
HCPCS	E1390	Oxygen concentrator, single delivery port, capable of delivering 85% or greater oxygen concentration at the prescribed flow rate	
HCPCS	E1391	Oxygen concentrator, dual delivery port, capable of delivering 85% or greater oxygen concentration at the prescribed flow rate	
HCPCS	E1392	Portable oxygen concentrator, rental	

HCPCS	K0738	Portable gaseous oxygen system, rental; home compressor used to fill portable oxygen cylinders, includes portable oxygen containers, regulator, flowmeter, humidifier, cannula or mask, and tubing	
HCPCS	K0741	Portable gaseous oxygen system, rental; includes portable container, regulator, flowmeter, humidifier, cannula or mask, and tubing, for cluster headaches	
HCPCS	K0742	Portable oxygen contents, gaseous, 1 month's supply = 1 unit, for initial month's supply or to replace used contents	
REV	0277	Oxygen-take home;	No PA for outpatient, but requires precert for inpatient
REV	0600	General classification oxygen;	
REV	0601	Oxygen - stationary equipment/supplies or contents;	
REV	0602	Oxygen - stationary equipment/supplies under 1 LPM;	
REV	0603	Oxygen - stationary equipment over 4 LPM;	
REV	0604	Oxygen - portable add-on;	
The following codes will be denied as Not Medically Necessary, Contract Exclusions or Investigational			
HCPCS	A4615	Cannula, nasal	Deny Inclusive to rental
HCPCS	A4616	Tubing (oxygen), per foot	Deny Inclusive to rental
HCPCS	A4617	Mouth piece	Deny Inclusive to rental
HCPCS	A4618	Breathing circuits	Deny Inclusive to rental
HCPCS	A4619	Face tent	Deny Inclusive to rental
HCPCS	A4620	Variable concentration mask	Deny Inclusive to rental
Type of Service	DME/ Medical Supply		
Place of Service	Outpatient, Home		