SAN FRANCISCO HEALTH PLAN

CO-38 DME Criteria

APPROVAL/REVIEW/REVISION HISTORY			
Signature	**Title**	**Date**	**Action**
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SFHP POLICY AND PROCEDURE

Durable Medical Equipment (DME)

Policy and Procedure Number:	CO-38
Department Owner:	Clinical Operations
Lines of Business and Coverage Programs Affected:	☒Medi-Cal ☒Healthy Workers HMO ☐Healthy SF ☐City Option ☐ All lines of business and coverage programs as listed above

POLICY STATEMENT

San Francisco Health Plan (SFHP) covers durable medical equipment (DME) when prescribed by the member's primary care provider (PCP) and/or treating provider. SFHP authorizes items of DME, in accordance with this policy, Title 22 of the California Code of Regulations (CCR), Medi-Cal Provider Bulletins, and/or MCG Care Guidelines Criteria, to meet the member's needs for medically necessary equipment. SFHP requires DME to meet the Medi-Cal definition of medical necessity, specifically to protect life, to prevent significant illness or disability, or to alleviate severe pain. For Medi-Cal members who are under age 21, services are determined to be medically necessary when needed to correct or ameliorate defects and physical and mental illnesses or conditions, regardless of whether it is covered under California's Medicaid State Plan for adults.

PROCEDURE

When the need for new or modified equipment is identified, the member's primary care provider (PCP) and/or other treating provider submits a written prescription to a DME/Medical Supply vendor. A valid written prescription must clearly contain the following:

1. Full name, address, and telephone number of the prescribing provider.
2. Date of prescription (must be within 12 months).
3. Item(s) being prescribed. If multiple or custom items are prescribed, they must be separately specified.
4. Medical condition/diagnosis necessitating each particular DME item.
5. Duration of medical necessity stated as precisely as possible (e.g., "3 months" or "permanent").

The DME vendor is responsible for authorization submission to SFHP. Authorization submissions must include the specific service code and modifier (if applicable) of each item as well as a copy of the provider's prescription.

SFHP reserves the right to initiate a DME evaluation by an independent third party if, upon medical necessity review, it is unclear whether the prescribed item adequately meets the members' needs. If the DME evaluation does not support the provider's original prescription, the request is reviewed by the Chief Medical Officer (CMO), Medical Director, or physician designee for medical necessity determination. If the MD denies the request, SFHP issues a Notice of Action (NOA) letter and includes a copy of the DME evaluation so the provider can request an alternate DME item or submit a member appeal.

A. **Incontinence Supplies:**
Incontinence supplies require a current prescription, which should include the following:
1. Medical condition/diagnosis causing bowel or bladder incontinence.
2. Justification and medical necessity if supplies ordered is more than the Medi-Cal benefit limits.
3. Authorization is not required for contracted vendors.

B. **DME Rental vs. Purchase:**
1. SFHP follows the guidelines as set forth in Title 22 § 51321 and 51521. When previously paid rental charges equal the maximum allowable purchase price of the rented item, the item is considered to have been purchased and no further reimbursement to the DME provider is made for the member's use of the item unless repair and maintenance is separately authorized.
2. Medi-Cal keeps a current publication of items that are only rented, only purchased, and items that can be either. Medi-Cal also keeps a current rate sheet for calculation of number of rental months to cover an item's purchase price. Refer to Medi-Cal Provider Manual for additional information.

C. **Modifications of Equipment:**
If a piece of equipment is provided to a member whose medical condition has not changed since the time the equipment was provided, and the item does not meet the patient's needs when in actual use, then the DME vendor is responsible for adjusting or modifying the equipment as necessary to meet the patient's medical needs without additional reimbursement.

D. **Wheelchair - Prior Authorization:**
1. A provider obtains prior authorization for the following:
   i) Rental of a specialized/custom manual wheelchair and accessories. (Contracted vendors do not need to obtain prior authorizations for standard manual wheelchairs).
   ii) Purchase of a powered wheelchair and accessories
   iii) Rental of loaner powered wheelchairs
   iv) SFHP authorizes one (1) type of wheelchair per member, except as indicated in section E, below.

2. SFHP may authorize a wheelchair and accessories for a member who is inpatient at a skilled nursing facility (SNF), subacute or intermediate care facility/developmentally disabled (IFC/DD) that are necessary for the continuous permanent care and unusual medical needs of a member. A member may be considered to have unusual medical needs if a disease or medical condition is exacerbated by physical characteristics such as height, weight, and/or build. Physical characteristics alone do not constitute an unusual medical condition.
3. SFHP does not authorize a wheelchair and accessories for a member if the member is in possession of a wheelchair that already allows the member to accomplish their Activities of Daily Living (ADLs), except as described in E below. If the member's medical or functional needs have changed, or if the size of the wheelchair is no longer appropriate, the member's provider may submit an updated functional assessment containing medical justification.
4. SFHP does not authorize a wheelchair and accessories for a member if the wheelchair and accessories are needed solely for a social, educational, or vocational purpose. Members can contact the California State Department of Rehabilitation for wheelchair and accessories for solely vocational needs.
5. SFHP may audit wheelchair authorization requests as necessary for appropriateness and accuracy.
6. A wheelchair is medically necessary if the member's medical condition and mobility limitation are such that without the use of a wheelchair, the member's ability to perform one or more mobility-related ADLs or Instrumental Activities of Daily Living (IADLs) in or out of the home, including access to the community, is impaired and the member is not ambulatory or functionally ambulatory without supports such as a cane, crutches, or walker.

E. **Backup and Temporary Replacement (aka 'loaner') Wheelchairs:**

1. A backup manual wheelchair is covered when:
   i) The member meets criteria for a powered mobility device, and
   ii) The member is unable to complete ADLs or IADLs without a backup manual wheelchair. a temporary (aka 'loaner') manual or powered wheelchair is covered when the member does not have a backup wheelchair, their backup wheelchair will not allow them to complete mobility-related ADLs or IADLs in or out of the home, including access to the community, and the current wheelchair is unavailable due to the need for repair or replacement.

F. **Member Responsibility:**

Members are responsible for the appropriate use and care of the wheelchair and accessories rented or purchased for the member's benefit. SFHP monitors requests and claims for replacement and/or repairs for each member. Wheelchairs damaged or destroyed due to causes beyond a member's control are repaired or replaced. If an unusual pattern of replacements and/or repairs are identified, SFHP may evaluate the equipment for abuse. If SFHP identifies a pattern of abuse, the member may be at risk for loss of the wheelchair benefit.

G. **Portable Ramps:**

1. Criteria for authorization are:
   i) The member utilizes a manual or power wheelchair for home and/or community access.
   ii) The member needs access to variable height surfaces at home, to a vehicle and in the community.
   iii) The weight of the member and wheelchair does not exceed the manufacturer's recommended weight limit for the ramp.
   iv) Caretaker / member must demonstrate the ability to safely use the ramp.

2. Authorization limits.
   i) SFHP reimburses for a maximum of one vehicle ramp and one home access ramp.
   ii) If the ramp is needed for employment, the benefit is to be provided through the Department of Rehabilitation.

H. **Augmentative and Alternative Communication Devices and Speech Generating Devices:**
Augmentative and Alternative Communication (AAC) Devices and Speech Generating Devices (SGDs) are benefits for eligible members with speech, language and hearing and motor disorders. Electronic devices require prior authorization.

I. **Non-Covered Items:**
In accordance with Title 22, Section 51321, the following DME items are not included as Medi-Cal or SFHP benefits.
   A. Books or other items of a primarily educational nature
   B. Air conditioners/ air filters or heaters
   C. Food blenders
   D. Reading lamps or other lighting equipment
   E. Bicycles, tricycles, or other exercise equipment
   F. Television sets
   G. Orthopedic mattresses, recliners, rockers, seat lift chairs or other furniture items
   H. Waterbeds
   I. Household items
   J. Modifications of automobile or other highway motor vehicles
   K. Other items not generally used primarily for health care and which are regularly and primarily used by persons who do not have a specific medical need for them

Refer to the Medi-Cal Member Handbook and Healthy Worker HMO EOC for additional exclusions.

MONITORING

A. SFHP utilizes a variety of methods to monitor and track service utilization to identify patterns of over- /underutilization. The Utilization Management Committee (UMC) is responsible for the monitoring of utilization data to identify potential services being over- or underutilized. If a service is identified, the UMC will conduct further discussions and analysis to identify opportunities for improvement.

B. SFHP's Clinical Operations Department monitors turnaround times of internal processing for compliance with standards.

C. SFHP's Clinical Operations Department performs inter-rater reliability audits at least annually for both physician and nurse reviewers.

D. Clinical Operations Prior Authorization Nurses review each independent DME evaluation and report any quality concerns first to the UM Nurse Manager of Prior Authorizations. If appropriate, escalation to the Director of Clinical Operations occurs. The Director of Clinical Operations meets on an as needed basis with the DME evaluator regarding quality concerns raised by CO staff.

E. The Utilization Management Committee (UMC) reviews Appeals, IMRs, and State Fair Hearings resulting in authorization decision made by SFHP or one of its delegated medical groups. The UMC recommends corrective action and/or identifies where the Clinical Operations Department can revise the authorization process, if necessary, to improve the member experience, to address any barriers, and ensure the utilization management criteria are consistent with current industry and evidence-based practices. The Quality Improvement and Health Equity Committee (QIHEC) reviews an Appeals Report (overturned and upheld appeals) every quarter regarding the activity of medical authorizations.

F. SFHP's Member Services and Health Services Programs Departments evaluate member and provider grievances, as well as SFHP's member and provider satisfaction survey responses, to identify patterns.

G. The SFHP Chief Medical Officer (CMO), Medical Director, or physician designee identifies any potential quality issues (PQI), including provider preventable conditions (PPCs), and follows the PQI process defined in QI-18 and the PPC process defined in QI-19.

H. Dashboards and other reports regarding SFHP's CO Department's monitoring activities are reviewed by the Utilization Management Committee (UMC) and presented to QIHEC at least annually for evaluation and corrective actions as needed.

I. Medical groups delegated to perform utilization management are audited annually as outlined in DO-02 Oversight of Delegated Functions.

DEFINITIONS

Activities of Daily Living (ADLs): Routine activities that people tend to do every day without needing assistance, including eating, bathing, dressing, toileting, transferring, and continence. An individual's ability to perform ADLs independently is important for determining what type of long-term care an individual needs.

Current Prescription: Date on prescription is within 12 months of authorization request to SFHP. Prescription must be signed by the member's current primary care provider or other treating provider.

Durable Medical Equipment (DME): Per Title 22, § 51160, durable medical equipment (DME) means equipment prescribed by a licensed practitioner to meet medical needs of the patient that: (a) can withstand repeated use; (b) is used to serve a medical purpose; (c) is not useful to an individual in the absence of an illness, injury, functional impairment, or congenital abnormality; and (d) is appropriate for use in or out of the patient's home.

Instrumental Activities of Daily Living (IADLs): The activities often performed by a person who is living independently in a community setting during the course of a normal day, such as managing money, shopping, telephone use, travel in community, housekeeping, preparing meals, and taking medications correctly.

Medical Necessity: The Medi-Cal definition of *medical necessity* for members 21 and over is reasonable and necessary services to protect life, to prevent significant illness or significant disability, or to alleviate severe pain through the diagnosis or treatment of disease, illness or injury. For Medi-Cal members under 21 who are eligible for EPSDT services, services are determined to be medically necessary when needed to correct or ameliorate defects and physical and mental illnesses or conditions.

AFFECTED DEPARTMENTS/PARTIES

Compliance & Regulatory Affairs -- Delegation Oversight
Health Services Programs -- Care Management
Health Services Operations -- Clinical Operations
Operations -- Business Solutions
Operations -- Claims
Operations – Member Services
Operations -- Provider Network Operations

RELATED POLICIES AND PROCEDURES AND OTHER RELATED DOCUMENTS

CO-22: Authorization Requests
CO-57: UM Clinical Criteria

REVISION HISTORY

Effective Date:	July 2011
Revision Date(s):	April 12, 2012; October 9, 2014; November 10, 2015; February 22, 2016; July 21, 2016; August 29, 2018; May 21, 2020; May 19, 2022; June 20, 2024

REFERENCES

1. DHCS MMCD APL 15-018 Criteria for Coverage of Wheelchairs and Applicable Seating and Positioning Components
2. W&I Code § 14059.5 and 14133.3
3. 22 CCR § 51303, 51521 and 51321
4. Medi-Cal Provider Bulletin – Durable Medical Equipment (DME): An Overview
5. Medi-Cal Durable Medical Equipment (DME): Billing Codes and Reimbursement Rates