

REVISIONS TO DME PROCEDURE CODE SECTION

RULE 4 (PURCHASES) and RULE 6 (RENTAL MODIFIER)

Effective for Dates of Service on and after April 1, 2012

4. **PURCHASES:** An underlined procedure code indicates the item/service requires prior approval. When the procedure code's description is preceded by a "#", the item/service requires an authorization via the dispensing validation system (DVS). When the procedure code's description is preceded by an asterisk (*), the item/service requires an authorization via the Interactive Voice Response (IVR) system. When none of the above described circumstances exist, the procedure code is a direct bill item. Please refer to the DME manual, Policy Guidelines, for additional information.
6. **MODIFIERS:** The following modifiers should be added to the five character Healthcare Common Procedure Coding System (HCPCS) code when appropriate.

'-RR' **Rental** - use the '-RR' modifier when DME is to be rented.

- Rentals require DVS authorization **for each month of rental**. All DVS authorization requests must include the '-RR' modifier, including continuous rentals. Prior Approval is required for rental **only when no rental fee** is listed in the DME Fee Schedule.
- Refer to the DME Fee Schedule for rental fees.
- Rental is available up to maximum of 10 months. Monthly rental fee is calculated at 10% of purchase price, with the exception of continuous rentals (frequency listed as **F₂₆** in the Procedure Code section).
- The **Length of Need** must be specified by the ordering practitioner on the fiscal order. If the order specifies a *Length of Need of less than 10 months*, the equipment must be rented initially. If *Length of Need is 10 months or greater*, the equipment may be initially rented or purchased.
- Equipment must be initially rented if a **trial period** is required per the DME Procedure Code section.
- All rental payments must be deducted from the purchase price, with the exception of continuous rentals. Utilization Review (UR) claims editing limits the sum of all rental payments to the code's purchase price.

Questions may be directed to the Office of Health Insurance Operations,

1 800 342-3005, option 1.