

DURABLE EQUIPMENT AND DURABLE MEDICAL EQUIPMENT

ISSUE DATE: December 29, 1982

AUTHORITY: 32 CFR 199.2(b), 32 CFR 199.4(d)(3)(ii)(D), 32 CFR 199.5(a)(6), (c)(2), (d)(7)
and (f)(3)

I. HCPCS CODES

All valid codes.

II. DESCRIPTION

As defined in 32 CFR 199.2(b), Durable Equipment is a device or apparatus which does not qualify as Durable Medical Equipment and which is essential to the efficient arrest or reduction of functional loss resulting from a qualifying condition as provided in Chapter 9, Sections 5.1 and 6.1.

As defined in 32 CFR 199.2(b), Durable Medical Equipment is:

- A. Equipment for which the allowable charge is over \$100;
- B. Medically necessary for the treatment of a covered illness or injury;
- C. Improves the function of a malformed, diseased or injured body part or retards further deterioration of the patient's physical condition;
- D. Used primarily and customarily to serve a medical purpose, rather than primarily for transportation, comfort or convenience;
- E. Can withstand repeated use;
- F. Provides the medically appropriate level of performance and quality for the medical condition present (that is, nonluxury and nondeluxe);
- G. Is other than spectacles, eyeglasses, contact lenses or other optical devices, hearing aids, or other communication devices; and
- H. Is other than exercise equipment, spas, whirlpools, hot tubs, swimming pools or other such items.

III. POLICY

A. Durable equipment and durable medical equipment may be cost-shared when:

1. A physician has certified that the item is necessary for the treatment, habilitation, or rehabilitation of the beneficiary.

2. The item is not available from a Uniformed Services medical treatment facility.

3. A written authorization to purchase the item has been issued within six (6) months prior to the date of purchase.

4. A beneficiary has an authorization issued by one Managed Care Support Contractor and transfers to another Health Services Region with a different Managed Care Support Contractor. The authorization issued by the losing contractor for the purchase and proration of durable equipment and durable medical equipment will be accepted by the gaining contractor for reimbursement purposes only.

B. Durable equipment and durable medical equipment cost-sharing.

1. When requesting an authorization to purchase an item of equipment, the beneficiary shall specify whether the entire allowable cost of the item is to be cost-shared in the month of purchase or prorated.

2. The maximum number of contiguous months the item may be prorated is the lesser of:

a. the number of months determined by dividing the allowable cost by 1,000, then doubling the resulting quotient; or

b. as determined by the contractor, the number of months of useful life of the item for the requesting beneficiary.

3. The allowable cost may be prorated monthly in any amount up to the maximum monthly benefit for a number of contiguous months not to exceed the maximum as determined above.

4. Each monthly prorated amount is to be separately authorized.

5. A sponsor/beneficiary cost-share, as described in [Chapter 9, Section 16.1](#), is required in every month in which a prorated amount is authorized. When a beneficiary moves out of the jurisdiction of the Managed Care Support Contractor who authorized the purchase and proration of allowable expense for durable equipment or durable medical equipment through the PFPWD, the sponsor/beneficiary will be liable for making all remaining monthly cost-share payments for a prorated item.

C. Reasonable repairs and maintenance on authorized beneficiary-owned equipment may be cost-shared.

IV. EXCLUSIONS

A. Equipment required by an institutionalized disabled beneficiary must be provided by the institution as part of the management plan and included in the monthly institutional charges. Only under extremely unusual situations may durable equipment be covered for an institutionalized beneficiary.

B. Equipment that is available from a local Uniformed Service medical treatment facility.

C. Equipment that is beyond the appropriate level of performance and quality required under the circumstances (i.e., luxury or deluxe). This does not preclude special fitting of equipment to accommodate a particular disability, such as fitting a wheelchair for a one-armed individual.

D. More than one similar item during a benefit authorization period. This does not preclude the purchase of a replacement for an item that is no longer usable.

E. Rental of equipment unless it can be shown to be more cost-effective than purchase.

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