

Reimbursement Policy	
Subject: DME Modifiers for New, Rented and Used Equipment	
Policy Number: G-06053	Policy Section: Coding
Last Approval Date: 06/09/2023	Last Approval Date: 10/26/2018

**** Visit our provider website for the most current version of the reimbursement policies. If you are using a printed version of this policy, please verify the information by going to <https://provider.healthybluel.com>. ****

Disclaimer

These reimbursement policies serve as a guide to assist you in accurate claims submissions and to outline the basis for reimbursement if Healthy Blue covered the service for the member's Healthy Louisiana benefit plan. The determination that a service, procedure, item, etc. is covered under a member's benefit plan is not a determination that you will be reimbursed. Services must meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member's state of residence.

You must follow proper billing and submission guidelines. You are required to use industry standard, compliant codes on all claim submissions. Services should be billed with Current Procedure Terminology® (CPT) codes, Healthcare Common Procedure Coding System (HCPCS) codes, and/or revenue codes. These codes denote the services and/or procedures performed and, when billed, must be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our reimbursement policies apply to both participating and non-participating professional providers and facilities.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, Healthy Blue may:

- Reject or deny the claim.
- Recover and/or recoup claim payment.

These reimbursement policies may be superseded by mandates in provider, state, federal, or Centers for Medicare & Medicaid Services (CMS) contracts and/or requirements. Healthy Blue strives to minimize delays in policy implementation. If there is a delay, we reserve the right to recoup and/or recover claims payment to the effective date in accordance with the policy. We reserve the right to review and revise these policies when necessary. When there is an update, we will publish the most current policy to the website.

Policy

Healthy Blue allows reimbursement for new, rented, or used equipment appended with the appropriate modifier unless provider, state, federal, or CMS contracts and/or requirements indicate otherwise. The listed modifiers are considered reimbursement modifiers and must be billed in the primary or first modifier field to determine appropriate reimbursement:

- Modifier NU: new equipment

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- Modifier RR: rented equipment

Healthy Blue does not allow reimbursement for used equipment - UE modifier.

These modifiers are appropriate for durable medical equipment (DME), prosthetics, and orthotics. These modifiers are inappropriate for supplies. Claims for supplies appended with Modifier NU or RR may be denied.

Reimbursement will be based on the applicable fee schedule or contracted/negotiated rate for claims submitted for the equipment with the valid modifier identifying new or rented equipment. Claims submitted for equipment without the appropriate reimbursement modifier may be denied.

Related Coding	
Standard correct coding applies	

Policy History	
06/09/2023	Review approved: updated policy template
10/26/2018	Review approved: policy template updated
09/01/2017	Policy template update
03/14/2016	Review approved and effective: policy language updated
08/09/2006	Initial approval and effective

References and Research Materials	
This policy has been developed through consideration of the following: <ul style="list-style-type: none"> • CMS • State contract • State Medicaid 	

Definitions	
Durable Medical Equipment (DME)	Items that meet the following criteria: <ul style="list-style-type: none"> • Are primarily and customarily used to serve a medical purpose rather than convenience or comfort • Can withstand repeated use • Generally, are not useful to a person without an illness or injury • Are appropriate for use in the home • Are prescribed by a licensed physician/practitioner
Prosthetic Device	An artificial structural and functional replacement of a limb/appendage or internal organ, or all or part of the function of a permanently inoperative or malfunctioning internal body organ.
Orthotic Device	A brace with rigid metal or plastic stays applied to the body for support or immobilization of a body part, to correct or prevent deformity, or to assist or restore function.
General Reimbursement Policy Definitions	

Related Policies and Materials
Durable Medical Equipment (Rent to Purchase)
Modifier Usage
Prosthetic and Orthotic Devices

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