

Reimbursement Policy

Subject: **DME Modifiers for New, Rented and Used Equipment**

Policy Number: **G-06053**

Policy Section: **Coding**

Last Approval Date: **01/01/2025**

Effective Date: **01/01/2025**

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

Disclaimer

These reimbursement policies serve as a guide to assist you in accurate claims submissions and to outline the basis for reimbursement for Healthy Blue Medicare Advantage members 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 also meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis as well as to the member's state of residence.

Please follow proper billing and submission guidelines including use of 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 Medicare Advantage may:

- Reject or deny the claim.
- Recover and/or recoup claim payment.
- Adjust the reimbursement to reflect the appropriate services and/or procedures performed.

These reimbursement policies may be superseded by mandates in provider, state, federal, or Centers for Medicare & Medicaid Services (CMS) contracts and/or requirements.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 Medicare Advantage 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 Medicare Advantage 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
- Modifier RR: rented equipment
- Modifier UE: purchase of used equipment

These modifiers are appropriate for durable medical equipment (DME), prosthetics, and orthotics. These modifiers are inappropriate for supplies unless required under state or CMS guidelines. Claims for supplies appended with modifier NU, RR, or UE 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, rented, or used equipment. Claims submitted for equipment without the appropriate reimbursement modifier may be denied.

Related Coding

Standard correct coding applies

Policy History

01/01/2025	Initial approval effective
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References and Research Materials

This policy has been developed through consideration of the following:

- CMS
- State contract

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.

Reimbursement Policy Definitions

Related Policies and Materials

Durable Medical Equipment (Rent to Purchase)

Modifier Usage

Prosthetic and Orthotic Devices

