DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES	Health Resources Division: Durable Medical Equipment Program
	Effective Date: 1/1/2025
	Subject: Coverage criteria for home oxygen therapy

Home Oxygen Therapy Coverage Criteria

1. **Purpose**
   This policy outlines the coverage criteria for home oxygen therapy for members, including details on alignment with and exceptions to Medicare coverage and reimbursement policies.

2. **Coverage Criteria**
   - Members are eligible for coverage when the criteria outlined in the LCD ID: L33797 and Policy article ID: A52514 for Oxygen and Oxygen Equipment are satisfied.
     - For members who reside at a skilled nursing facility (SNF), Montana Healthcare Programs recognizes oximetry tests ordered by a physician and performed by qualified nursing personnel at the SNF are an acceptable blood gas study.

3. **Reimbursement and Quantity Limits (36-Month Rental Cap)**
   - **Montana Healthcare Programs-Only Members:**
     - There is no rental cap for these members. Montana Healthcare Programs pays for the monthly rental of equipment and a monthly supply allowance.
   - **Dual-Eligible Members (Montana Healthcare Programs + Medicare/Qualified Medicare Beneficiary (QMB))**
     - **Medicare-Covered Oxygen:** Montana Healthcare Programs will pay the lower of the Medicare coinsurance and deductible, or the Montana Healthcare Programs' allowed amount. This payment policy continues until the 36-month rental cap is reached. After the cap, Montana Healthcare Programs covers the monthly rental of equipment and the monthly supply allowance.
     - **Medicare Non-Covered Oxygen:** To preserve member access, the 36-month cap does not apply to dual-eligible members residing at a SNF. Montana Healthcare Programs pays for the monthly rental of equipment and a monthly supply allowance.

    - **Note:** Oxygen and oxygen equipment are considered separately billable items for nursing facilities. Only the SNF or the oxygen supplier can bill for these services, not both.
- **QMB Only**
    - Medicaid reimbursement is dependent on Medicare coverage. When Medicare pays, Montana Healthcare Programs will pay the coinsurance and deductible. If Montana Healthcare Programs denies the services, Medicaid does not pay.
    - **Note:** Refer to the General Information for Providers Manual for additional information regarding the coordination of benefit policies for QMB Only members.

Version History

Version Number	Revision Date	Summary Changes
1	N/A	None – Original posting.