

COMMUNITY HEALTHCHOICES (CHC)

OPERATIONS MEMORANDUM #2018-04

SUBJECT: Exceptional Medical Equipment for Nursing Facility (NF) Residents

TO: CHC-Managed Care Organizations (MCO)

FROM: Bureau of Policy Development and Communications Management

DATE: May 14, 2018

PURPOSE

Payments for authorized exceptional durable medical equipment (DME), including ventilator rentals and related supplies, are made to nursing facilities (NF)s. The Department of Human Services (department) will continue to publish an annual list of exceptional DME by notice in the Pennsylvania Bulletin in July of each year. This notice lists the minimum acquisition cost of exceptional DME and DME that is not specially adapted DME but designated as exceptional DME by the department. Ventilators and related supplies are designated as exceptional DME.

Under Exhibit C (relating to managed long-term services and supports regulatory compliance guidelines) of the CHC Agreement, Chapter 1187, Subchapter K (relating to exceptional payment for nursing facility services) does not apply to the CHC-MCOs. However, the CHC-MCOs may use Subchapter K, the Medical Assistance (MA) Bulletins listed below, and the process the department currently uses for payment of ventilator related exceptional DME as resources. The maximum payment for ventilator rentals, including rent to own and related supplies, is up to \$80.00 per day. Payment of monthly fees for a purchased ventilator is not permissible.

This Operations Memorandum provides further guidance on the CHC-MCO's responsibility to provide DME, including ventilator rentals to NF residents, as required by Section V-A-20 of the CHC Agreement.

PROCEDURES

Prior to implementation of each phase of CHC, the department will deposit a report into DocuShare listing NFs that are certified by the department for participation in the department's Ventilator Dependent Respiratory Program (VDRP). The department will be responsible for certifying the NFs after implementation of CHC and will notify MCO s within 30 days.

Current Guidelines for Payment of Ventilator-Related Exceptional DME

The amount of reimbursement authorized for ventilator rentals including rent to own and related supplies is based upon the necessary, reasonable and prudent cost of the ventilator, and the cost of actual approved respiratory supplies used by the participant. The effective date of reimbursement may be up to six (6) months prior to the date the request was received unless the MA eligibility date or the facility admission date is more recent. The maximum amount of the reimbursement is computed pursuant to the following.

Medical Necessity of the Ventilator

To determine the need of mandatory ventilation, the respiratory therapy flow sheets should be reviewed to determine the number of hours the participant is on the ventilator on AC or SIMV mode. CPAP, BiPAP, or pressure support are not considered full ventilator support. Currently, a resident must require full ventilator support at least eight (8) hours a day, on a daily basis to be enrolled in the program.

Maximum Allowable Payment for Ventilators and Related Services and Items

Payment may be made for costs as prescribed by a physician, subject to utilization review. An example of the department's Table of Supply and Equipment Costs for a ventilator dependent respiratory resident is found in Attachment 1 and referenced in MA Bulletin 03-06-08.

Requirements for NFs

A NF certified by the department for participation in the VDRP shall have an established affiliation with a pulmonology department of a hospital for purposes of being able to bill Medicare when appropriate. The NF shall have designated care staff for each resident, including a pulmonologist, attending physician, registered professional nurses, registered respiratory therapists, as well as certified respiratory therapy technicians. The NF shall ensure a registered nurse has primary responsibility for the unit and is readily available at all times. The NF shall ensure that a certified or

registered respiratory therapist will be on site 24 hours per day/7 days per week to provide ventilator care, monitor life support systems, administer medical gases and aerosol medications and perform diagnostic testing. The NF must demonstrate that it maintains an active program for persons who are ventilator dependent. This program must meet both the medical and the social needs of the residents. All services provided to the specified resident shall be subject to utilization review, including assessments of the need for care, as established by law and regulation.

NEXT STEPS

1. Review this information with appropriate staff.
2. Contact the Bureau of Coordinated and Integrated Services if you have questions.

ATTACHMENTS

Attachment 1: [Example Table of Supply and Equipment Costs](#)