

Oxygen Therapy Benefits to Change for Texas Medicaid Effective March 1, 2017

Overview of Benefit Changes

- All oxygen therapy equipment that is rented requires prior authorization (Fee-For-Service)
- Oxygen therapy related supplies do not require prior authorization for client owned equipment
- The [Home Health Services \(Title XIX\) DME/Medical Supplies Physician Order Form](#) is no longer required for oxygen therapy devices and supplies. All prior authorization (Fee-For-Service) requests for oxygen therapy devices and supplies must be submitted using the “Texas Medicaid Prior Authorization Request for Oxygen Therapy Devices and Supplies” form
- Prescribing providers must maintain a the original, completed, signed, and dated “Texas Medicaid Prior Authorization Request for Oxygen Therapy Devices and Supplies” form in the client’s medical record. The DME provider must maintain a copy of the complete, signed and dated in the client's record.

Oxygen Therapy

Oxygen Therapy criteria are based on American Association for Respiratory Care (AARC), American Thoracic Society, and British Thoracic Society Treatment Guidelines.

Devices used for in-home oxygen therapy, including stationary oxygen concentrators (procedure code E0424), compressed gas (procedure code E0424), or liquid oxygen (procedure code E0439), and portable compressed gas cylinder (procedure code E0431) or liquid oxygen reservoir oxygen (procedure code E0433) systems are a benefit when medically necessary and require prior authorization (Fee-For-Service).

Prior authorization (Fee-For-Service) may be considered for monthly rental only and must be requested on a completed “Texas Medicaid Prior Authorization Request for Oxygen Therapy Devices and Supplies” form completed, signed, and dated by the client’s treating physician.

Oxygen system rental includes, but is not be limited to:

- Oxygen concentrator or oxygen tanks
- Regulator
- Flow meter
- Humidifier
- Cannula or mask
- Tubing

Devices used for in-home oxygen therapy may be considered for the treatment of hypoxemia which may be the result of, but not limited to:

- Bronchopulmonary dysplasia or other respiratory diagnoses due to prematurity.

- Respiratory failure or insufficiency; musculoskeletal weakness, such as that caused by Duchenne's muscular dystrophy or spinal muscle atrophy.
- Diagnosis of cluster headaches (see authorization criteria in this policy)
- Severe lung disease, such as chronic obstructive pulmonary disease (COPD), diffuses interstitial lung disease, cystic fibrosis, bronchiectasis, or widespread pulmonary neoplasm.

Stationary oxygen concentrators are the preferred oxygen therapy home delivery system. If other types of oxygen therapy home delivery systems are required, documentation of medical necessity to support an exception, such as frequent interruptions in electrical service or medical necessity for a higher oxygen concentration than can be obtained with a concentrator, must be provided. The other types of delivery systems include:

- Compressed gas cylinder systems (nonportable tanks).
- Liquid oxygen reservoir systems.

Multiple oxygen types (e.g., liquid and gas) will not be prior authorized (Fee-For-Service) concurrently.

Oxygen Therapy Related Supplies

Oxygen therapy related supplies, other than humidification, do not require prior authorization for client-owned equipment. Humidification during oxygen delivery with client-owned equipment may be a benefit for rental or purchase prior authorization (Fee-For-Service) when medically necessary.

Initial Oxygen Therapy Medical Necessity Certification

Oxygen ordered for 'as needed' or 'PRN' use does not provide a basis to determine if intermittent oxygen is reasonable and medically necessary for the client. Documentation must support the need for intermittent use of oxygen.

Prior authorization (Fee-For-Service) of home oxygen therapy for an initial three-month rental period may be considered with submission of all of the following documentation:

- Evidence from the client's treating physician of a determination that the client has severe lung disease or hypoxia-related symptoms that are expected to improve with oxygen therapy and the client's blood gas studies meet the criteria indicated below.
- A "Texas Medicaid Prior Authorization Request for Oxygen Therapy Devices and Supplies" form with Sections A and B completed, signed, and dated by the client's treating physician documenting the client's specific medical needs and the testing performed to determine the need for oxygen therapy including all of the following criteria:
 - The client's medical diagnosis requiring oxygen therapy
 - The oxygen flow rate
 - An estimate of the frequency, duration of use (e.g., 2 liters per minute, 15 minutes per hour, 12 hours per day) and duration of need (e.g., 3 months)
- A qualifying blood gas assessment may be supported by the results of either pulse oximetry or an arterial blood gas and includes all of the following:

- Date of testing
- Results of testing
 - If the blood gas assessment occurred during the client's inpatient hospital stay, a blood gas performed no more than two days before discharge is acceptable.
 - If a blood gas is obtained while the client is at home, the assessment must be performed while the client is in a stable chronic state (i.e., not during a period of acute illness or an exacerbation of their underlying disease) within the 30-day period prior to the request for service.

If the client has an eligible condition as described in this policy, oxygen therapy coverage is available under one of the three group categories outlined below.

Group I Oxygen Therapy Category

Group I - Prior authorization (Fee-For-Service) may be considered for clients of any age with significant hypoxemia with documentation of any of the following:

- An arterial pO₂ (partial pressure of oxygen) equal to or less than 55 mm Hg or an arterial oxygen saturation equal to or less than 88 percent, taken at rest, breathing room air
- An arterial pO₂ equal to or less than 55 mm Hg or arterial oxygen saturation at or below 88 percent, taken during sleep and lasting for at least 5 continuous minutes for clients who have a pO₂ at or above 56 mm Hg or an arterial oxygen saturation at or above 89 percent while awake
- A decrease in arterial pO₂ more than 10 mm Hg, or a decrease in arterial oxygen saturation of more than 5 percent, for at least 5 continuous minutes taken during sleep with symptoms or signs reasonably attributable to hypoxemia (e.g., impairment of cognitive processes and nocturnal restlessness or insomnia)
- An arterial pO₂ equal to or less than 55 mm Hg or an arterial oxygen saturation at or below 88 percent, taken during exercise for a member who demonstrates a pO₂ at or above 56 mm Hg or an arterial oxygen saturation at or above 89 percent during the day while at rest. In this case, supplemental oxygen may be provided for use during exercise if there is evidence the use of oxygen improves the hypoxemia that was demonstrated during exercise when the client was breathing room air

Group I Oxygen Therapy for Clients Who Are Birth through 20 Years of Age

Prior authorization (Fee-For-Service) may be considered for clients who are birth through 20 years of age when evidenced by any of the above or the following documentation:

- A neonate, and-premature infant of any age who have not reached their 40th week of gestational maturity with an arterial pO₂ of less than 60 mmHg or an arterial oxygen saturation level is less than 92 percent
- An infant with chronic neonatal lung disease with an arterial oxygen saturation equal to or less than 92 percent
- Other medical conditions that may be considered with supporting documentation include, but are not limited to:

- Infants with bronchopulmonary dysplasia.
- Infants with apnea of prematurity, or recurrent cyanotic apneic episodes.
- Children with severe pulmonary hypotension.
- Children who have sickle cell anemia with respiratory conditions.
- Infants or children who have idiopathic pulmonary hypertension with sleep associated desaturations or a documented need for an emergent use of oxygen.

Group 1 Qualifying Criteria for Long Term Oxygen Therapy (either oxygen saturation or pO₂ are required to qualify)			
Oxygen Saturation	pO₂ in mm HG	Required Parameters	Clients/Comments
Less than or equal to 88 percent	Less than or equal to 55	At rest on room air	Infants, children and adults
Less than or equal to 88 percent	Less than or equal to 55	For 5 minutes or more during sleep, when "at rest" criteria not met	Infants, children and adults
Less than or equal to 88 percent	Less than or equal to 55	During exercise, when criteria for "at rest" is not met Tests provided must document the following results: <ul style="list-style-type: none"> • At rest on room air • Exercising without oxygen • Exercising with oxygen 	Infants, children and adults If only criteria - documentation from physician: client's hypoxemia improved with use of O ₂ with exercise
Decrease of more than 5 percent	Decrease of more than 10 mm HG	For more than 5 minutes taken during sleep and Client has signs or symptoms attributable to hypoxemia	Infants, children and adults
Less than 92 percent	Less than 60	At rest on room air	Neonates, premature infants who are less than their 40 week gestational maturity
Less than or equal to 92 percent	NA	At rest on room air Chronic neonatal lung disease	Infants and children
Greater than or equal to 89 percent	Greater than or equal to 56	Documentation from physician supporting the medical need for the oxygen therapy due to medical conditions requiring different parameters	Clients aged 0 through 999

Intermittent acute oxygen therapy at home is not routinely recommended for seizures as there is no evidence that it reduces seizure duration, reduces harm from prolonged seizures, or improves quality of life for the child or family.

Group II Oxygen Therapy Category

Group II - Prior authorization (Fee-For-Service) may be considered for clients of any age whose arterial pO₂ is 56-59 mm Hg or whose arterial blood oxygen saturation is 89 percent with documentation of any of the following:

- Dependent edema suggesting congestive heart failure (CHF)
- Cor pulmonale (pulmonary hypertension)
- Erythrocythemia with a hematocrit greater than 56 percent

Group III Oxygen Therapy Category

Group III - Prior authorization (Fee-For-Service) may be considered for clients of any age with a diagnosis of cluster headaches with documentation of all of the following:

- Neurological evaluation with diagnosis of cluster headache
- Documentation of failed medication therapy

Oxygen Therapy Recertification

Prior authorization (Fee-For-Service) of oxygen therapy rental after an initial three-month rental period may be considered for periods of six months at a time with the submission of all of the following documentation:

- A new Texas Medicaid Prior Authorization Request for Oxygen Therapy Devices and Supplies form with Sections A and C completed, signed, and dated by the client's treating physician.
- Evidence of a continued need for oxygen therapy.
- Evidence from the client's treating physician of the client's compliance with the oxygen therapy.
- A new arterial blood gas assessment using either pulse oximetry or arterial blood gases.
- Evidence that the client meets the criteria for any of the above Groups (I, II, or III) for oxygen therapy.

If the above criteria for oxygen therapy are not met, medical necessity for recertification of oxygen therapy will be considered by a medical director with documentation from the treating physician supporting the client's need for oxygen therapy.

Stationary Oxygen Systems

Rental of a stationary oxygen system includes, but is not limited to, the nasal cannula or mask, tubing, and a basic bubble humidification system.

The types of covered stationary oxygen delivery systems include:

- Oxygen concentrators.

- Compressed oxygen gas cylinder systems.
- Liquid oxygen cylinder systems.

Portable Oxygen Systems

Portable oxygen therapy may be considered for prior authorization (Fee-For-Service) when medical necessity documentation indicates that the client requires the use of oxygen in the home and would benefit from the use of a portable oxygen system when traveling outside of the home environment.

Portable oxygen systems will not be considered for prior authorization (Fee-For-Service) for travel outside of the home environment for clients who qualify for oxygen usage based solely on oxygen saturation levels during sleep.

The types of covered portable oxygen and portable oxygen related delivery systems include:

- Portable tanks for compressed oxygen gas cylinder systems.
- Portable tanks for liquid oxygen cylinder systems.
- Home compressor attachment used on an oxygen compressor to fill oxygen tanks.
- Portable gaseous oxygen system home compressor.

Providers may refer to the “Covered Procedure Codes and Benefit Limitations” table in the article titled “Benefit Criteria to Change for Respiratory Equipment and Supplies Effective March 1, 2017,” for additional details for each procedure code. These details include maximum quantity limitations, rental versus purchase options, and prior authorization requirements (Fee-For-Service).