Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)

Reimbursement Policy ID: RPC.0074.05xx

Recent review date: 01/2026

Next review date: 12/2027

AmeriHealth Caritas Pennsylvania reimbursement policies and their resulting edits are based on guidelines from established industry sources, such as the Centers for Medicare and Medicaid Services (CMS), the American Medical Association (AMA), state and federal regulatory agencies, and medical specialty professional societies. Reimbursement policies are intended as a general reference and do not constitute a contract or other guarantee of payment. AmeriHealth Caritas Pennsylvania may use reasonable discretion in interpreting and applying its policies to services provided in a particular case and may modify its policies at any time.

In making claim payment determinations, the health plan also uses coding terminology and methodologies based on accepted industry standards, including Current Procedural Terminology (CPT); the Healthcare Common Procedure Coding System (HCPCS); and the International Classification of Diseases,10th Revision, Clinical Modification (ICD-10-CM), and other relevant sources. Other factors that may affect payment include medical record documentation, legislative or regulatory mandates, a provider's contract, a member's eligibility in receiving covered services, submission of clean claims, and other health plan policies, and other relevant factors. These factors may supplement, modify, or in some cases supersede reimbursement policies.

This reimbursement policy applies to all health care services billed on a CMS-1500 form or its electronic equivalent, or when billed on a UB-04 form or its electronic equivalent.

To the extent that any procedure and/or diagnosis codes are specified in this policy, such inclusion is provided for reference purposes only, may not be all inclusive, and is not intended to serve as billing instructions. Listing of a code in this policy does not imply that the service described by the code is a covered or non-covered health service. Benefit coverage for health services is determined by federal, state, or contractual requirements and applicable laws that may require coverage for a specific service. The inclusion of a code does not imply any right to reimbursement or guarantee claim payment. Other Policies and Guidelines may apply.

Policy Overview

This policy outlines AmeriHealth Caritas Pennsylvania guidelines for reimbursement of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) submitted on claim form CMS-1500.

Exceptions

DMEPOS items dispensed by a hospital or other facility and reported on claim form CMS-1450 are excluded from this policy.

Reimbursement Guidelines

According to the Centers for Medicare and Medicaid Services (CMS), “DME is equipment that:
Can withstand repeated use.

a) Is primarily and customarily used to serve a medical purpose.
b) Generally, is not useful to a person in the absence of an illness or injury; and
c) Is appropriate for use in the home.”

Consistent with CMS, Pennsylvania Medicaid (PAMA), and industry standard coding guidelines, AmeriHealth Caritas Pennsylvania, Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) is eligible for reimbursement when prescribed by a physician or other qualified health care provider for treatment of a covered illness or condition and supported in the medical record.

DMEPOS is categorized by CMS into the following payment classes:

- Inexpensive or other routinely purchased DME
- Items requiring frequent and substantial servicing
- Certain customized items
- Other prosthetic and orthotic devices
- Capped rental items
- Oxygen and oxygen equipment

AmeriHealth Caritas Pennsylvania considers DMEPOS items and equipment furnished to a member during an inpatient facility stay a component of the facility payment. With the exception of the inpatient admission date and discharge date, AmeriHealth Caritas Pennsylvania will not consider DMEPOS claims with dates of service overlapping the date span of an inpatient stay eligible for reimbursement. (See RPC.0078.05xx Overlapping Services While Inpatient.)

AmeriHealth Caritas Pennsylvania follows Pennsylvania Medicaid and National Correct Coding (NCCI) guidelines for determination of quantity/limits allowed for DMEPOS items and supplies. For accurate reimbursement, providers must report appropriate modifiers (e.g., NU – New equipment or item, RR – Rented equipment or item, LT/RT to indicate laterality) when submitting DMEPOS claims to AmeriHealth Caritas Pennsylvania.

Capped rentals
AmeriHealth Caritas Pennsylvania will reimburse rental of approved DME equipment for a maximum of 10 (ten) months, after which ownership of the item is transferred to the member.

Oxygen and oxygen equipment
DMEPOS providers must obtain Prior Authorization for all oxygen and oxygen equipment in order receive reimbursement by AmeriHealth Caritas Pennsylvania.

Claims or claim lines that have been determined to be an exact duplicate are denied. An exact duplicate for DMEPOS supplier claims submitted to the plan is a claim or claim line that exactly matches another claim or claim line with respect to the following elements:

- HIC Number

- From Date of Service;
- Through Date of Service;
- Place of service;
- HCPCS code;
- Type of Service;
- Billed Amount;
- Supplier

Such denials may not be appealed.

Definitions

Durable medical equipment
Durable medical equipment (DME) is any equipment that serves a medical purpose in the case of an illness or injury. It is appropriate for home use and can withstand repeated use as in the case of rented equipment.

Edit Sources

I. Current Procedural Terminology (CPT) and associated publications and services.
II. International Classification of Diseases,10th Revision, Clinical Modification (ICD-10).
III. Healthcare Common Procedure Coding System (HCPCS).
IV. Centers for Medicare and Medicaid Services (CMS) Medicare Claims Processing Manual, Chapter 20 – Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS).
V. https://www.cms.gov/regulations-and-guidance/guidance/transmittals/downloads/r3262cp.pdf
VI. The National Correct Coding Initiative (NCCI).
VII. Corresponding AmeriHealth Caritas Pennsylvania Clinical Policies.
VIII. Applicable AmeriHealth Caritas Pennsylvania manual reference.
IX. Commonwealth of Pennsylvania Medicaid Program guidance.
X. Commonwealth of Pennsylvania Medicaid Program fee schedule(s).

Attachments

N/A

Associated Policies

RPC.0026.05xx National Correct Coding Initiative (NCCI)
RPC.0078.05xx Overlapping Services While Inpatient

Policy History

01/2026	Reimbursement Policy Committee Approval
01/2026	Annual review • Minor change, addition of duplicate claim
06/2025	Minor updates to formatting and syntax
04/2025	Revised preamble
04/2024	Revised preamble
02/2024	Reimbursement Policy Committee Approval
08/2023	Removal of policy implemented by AmeriHealth Caritas Pennsylvania from Policy History section
01/2023	Template revised

	• Revised preamble • Removal of Applicable Claim Types table • Coding section renamed to Reimbursement Guidelines • Added Associated Policies section