Humana® Claims Payment Policy

Subject: DME for Indiana Medicaid

Application: Indiana Medicaid **Published date:** 12/2024

Policy number: CP2024012

Related policies: N/A

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Overview

This policy outlines Humana's billing requirements and reimbursement for durable medical equipment (DME) and home medical equipment (HME).

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Indiana Medicaid Payment Policy

In addition to the policy, claims payments are subject to other plan requirements for the processing and payment of claims, including, but not limited to, requirements of medical necessity and reasonableness and applicable referral or authorization requirements.

This policy applies to DME and HME, collectively referred to as DME, as defined by the Indiana Health Coverage Programs.

Except where noted below, providers must report DME items consistent with applicable Indiana Family and Social Services Administration (FSSA) guidance for the Indiana Health Coverage Programs.

Negative Pressure Wound Therapy Supplies

When billing for supplies related to negative pressure wound therapy, providers must report *modifier A1 – A9* with the DME item's Healthcare Common Procedure Coding System (HCPCS) code to indicate the number of wounds for which the supply is being used. Humana uses the modifier reported when determining the number of supplies allowed per wound, as established by Indiana FSSA guidance.

Replacement

Humana may reimburse for the replacement of a medically necessary DME item that is no longer functional after the standard reasonable useful lifetime (RUL) of five years. Humana allows replacement of certain DME items using an RUL of less than five years.

Humana may reimburse for the replacement before the expiration of the RUL under the following circumstances:

- Irreparable damage or wear,
- A change in the member's condition that requires a change in equipment, or
- Loss of the item from theft, fire or natural disaster

For only the first charge for the replacement DME item, *modifier RA* must be billed with the DME item's HCPCS code for one of the scenarios described above.

Servicing of Parenteral and Enteral Nutrition Pumps

Humana may reimburse for periodic servicing payments of parenteral and enteral nutrition pumps. For enteral pumps, Humana reimburses no more than one-half the rental payment every six months, beginning six months after the last rental payment. For parenteral pumps, Humana reimburses no more than one-half the rental payment every three months, beginning three months after the last rental payment. *Modifier MS* must be billed with the pump's HCPCS code to report servicing charges.

Definitions of *Italicized* Terms

- *Modifier A1:* Dressing for one wound
- *Modifier A2:* Dressing for two wounds
- *Modifier A3:* Dressing for three wounds
- *Modifier A4:* Dressing for four wounds
- *Modifier A5:* Dressing for five wounds
- *Modifier A6:* Dressing for six wounds
- *Modifier A7:* Dressing for seven wounds
- *Modifier A8:* Dressing for eight wounds
- *Modifier A9:* Dressing for nine or more wounds
- *Modifier MS:* Six month maintenance and servicing fee for reasonable and necessary parts and labor which are not covered under any manufacturer or supplier warranty.
- *Modifier RA:* Replacement of a DME, orthotic or prosthetic item.

References

- State of Indiana website. Indiana Medicaid. www.in.gov.
- State of Indiana website. Indiana Health Coverage Programs. Provider Reference Module: Durable and Home Medical Equipment and Supplies. www.in.gov.
- Humana website. Indiana PathWays for Aging with Humana Healthy Horizons in Indiana. Humana.com.

General Humana Resources

- Availity – Providers can register for access to information on a variety of topics such as eligibility, benefits, referrals, authorizations, claims and electronic remittances.
- Claims processing edit notifications – Alerts of upcoming claims payment changes are posted on the first Friday of each month.
- Claims resources – Providers can find information on referrals, authorizations, electronic claim submissions and more.
- Making it easier – This page contains an educational series for providers and healthcare professionals.
- Medical and pharmacy coverage policies – Humana publishes determinations of coverage of medical procedures, devices and medications for the treatment of various conditions. There may be variances in coverage among plans.
- Publications – This page can help you find our quarterly newsletter, provider manual and other resources to help you do business with us.

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