

Durable Medical Equipment (DME)

Your mother is being discharged from the hospital after a serious fall. She cannot walk without assistance. Will she need a wheelchair at home? Would a walker work just as well? Can she use a cane instead? Now the doctor says your mother also needs asthma treatment with a nebulizer (a machine that delivers medicine in a mist to the lungs). As her family caregiver, you already had a lot to do. Now you also must learn how to use the nebulizer.



Many insurance plans follow Medicare rules about paying for DME, but there may be exceptions. Check your family member's insurance plan to see what types of DME it will pay for.

Learning about durable medical equipment (DME) is one of the most important, and confusing, aspects of home health care. **This guide is designed to help. It includes information about what DME is, what is usually covered by insurance, how to choose the right DME, who can help, and what to do to repair, replace, or recycle DME.**

How Medicare Defines and Pays for DME

Medicare and other insurance plans define DME in terms of what they will pay for. DME is covered under Medicare Part B—the part that covers out-of-hospital costs. From Medicare's perspective, DME is equipment that is:



To check whether a particular test, service, or device is eligible for coverage under Medicare, check their website at <http://www.medicare.gov/coverage/durable-medical-equipment-coverage.html>

- ▶ **Durable.** That means the DME is strong enough to be used over and over again. Examples are wheelchairs, hospital beds, and lifts to move the person from bed to chair.
- ▶ **Medically necessary.** The DME is used to treat or manage a disease, injury, or disability. Examples are diabetic supplies, hospital beds, intravenous (IV) tubes to deliver medicines, oxygen tanks, walkers or wheelchairs, and many others.
- ▶ **Not used by people who do not have an illness or injury.** A person who is not ill or disabled does not need a hospital bed.
- ▶ **Used at home.** Home can be a residence, assisted living facility, or long-term stay nursing home.

Medicare does **not** consider as DME items that are:

- ▶ Designed to be used just once or twice and then thrown away. An example is latex gloves.
- ▶ Only for comfort and convenience. An example is a bath chair.
- ▶ Just for use outdoors. Examples are power-operated wheelchairs and scooters that the person does not need to get around inside the home.
- ▶ Used to adjust home air quality, such as air conditioners, humidifiers, and dehumidifiers, even when these might be helpful to a person with a medical condition.
- ▶ Items designed to prevent injuries or improve fitness, such as safety grab bars and exercise bicycles
- ▶ Educational products such as Braille training devices for blind people
- ▶ Special shoes (orthotics) unless they are part of a leg brace; but Medicare does cover soft shoe inserts for people with diabetes <http://www.medicare.gov/coverage/orthotics-and-artificial-limbs.html>.
- ▶ Customized accessories for hospital beds or wheelchairs. But some items such as alternating pressure pads and pumps (machines that distribute air evenly) for mattresses and lamb's wool pads may be covered if a doctor documents the person's high risk of developing pressure sores.

Medicare covers many types of DME, but you should always check with Medicare to see if item needed will be covered.

To check whether a particular test, service, or device is eligible for coverage under Medicare, check their website at <http://www.medicare.gov/coverage/durable-medical-equipment-coverage.html>

How Other Insurance Plans Cover DME

Many insurance plans follow Medicare rules about paying for DME, but there may be exceptions. Other insurance plans have their own lists of DME items and rules for obtaining them. Here are some examples:



Federal rules require all state Medicaid programs to pay for DME, but each state has its own list of approved products. Ask your state's Medicaid program what DME items it will pay for.

- ▶ Medicare Advantage plans pay for the same DME items as original Medicare but may require using the plan's network of vendors (approved suppliers). For details, check with the Utilization Management department of your family member's Medicare Advantage plan. Its phone number should be on the plan's membership card. Medicare and Medicare Advantage plans have an appeals process.
- ▶ Federal rules require all state Medicaid programs to pay for DME, but each state has its own list of approved products. Ask your state's Medicaid program what DME items it will pay for.
- ▶ States have different names for their Medicaid programs. For the name and program office in your state, go to: www.medicaid.gov/Medicaid-CHIP-Program-Information/By-State/By-State.html. This website has direct links to each state's program office.
- ▶ Medicare's End-Stage Renal Disease Program (ESRD) pays for home dialysis equipment, but there are specific rules. Learn more at <http://www.medicare.gov/Pubs/pdf/10128.pdf>
- ▶ Medicare will pay for diabetes equipment (lancets, monitors, supplies) if you use a national mail-order program. Learn more at <http://www.medicare.gov/what-medicare-covers/part-b/dme-diabetes-national-mail-order-program.html>
- ▶ For private insurance, check your family member's insurance plan to see what types of DME it will pay for. You may be able to get an item not on the list if a doctor documents a medical need. It is best to know from the start whether you need to make that case.



Because DME can be complicated, it is important to have good professional advice at every stage.

Professionals Who Can Help You Figure Out DME

Most family caregivers find it helpful to work with a professional who acts as a guide throughout the DME process. Here are some professionals who might help:

- ▶ A **doctor** has to sign the prescription order. For some items, a more formal document called a “Certificate of Medical Necessity” is required. In some physician offices a nurse practitioner, physician’s assistant, or clinical nurse specialist will be involved in ordering the DME. In general, a physician still has to sign the order.
- ▶ A **nurse** will probably be the primary person to help you learn about medical equipment such as feeding tubes, mechanical respirators, oxygen tanks, or intravenous (IV) setups that deliver medication.
- ▶ A **physical therapist (PT)** works to improve a patient’s strength, flexibility, and mobility. This may involve exercises as well as training to use some types of DME.
- ▶ An **occupational therapist (OT)** works to improve a patient’s ability to manage daily activities such as getting dressed, eating, and using the telephone or computer. Some assistive devices may be recommended.
- ▶ A **speech therapist** can help patients who have had a stroke or other type of neurological (brain) problem. The speech therapist may recommend language-enhancing medical devices.
- ▶ A **respiratory therapist** helps patients with breathing problems and may recommend medical equipment such as nebulizers and respirators.
- ▶ A **social worker** in the hospital or rehabilitation facility where your family member is a patient may make a referral for medical equipment or services at home. A physician must sign the order.



It may be tempting to select DME by its looks, size, or claims made in TV ads. Appearance is not what matters. Instead, choose DME based on whether it meets your family member's medical needs.

Getting the Right DME

Medicare and most other insurance plans only pay for one DME product for each medical need. It is important to make the right choice by selecting DME that is reliable, easy to use, meets your family member's needs, and fits within the available space.

One good way to choose the right DME is by having a nurse or therapist do a home assessment. He or she will come to your family member's home and discuss what type of DME to get and where to put it. If your family member is in the hospital or a rehabilitation facility, ask the discharge planner if this assessment can be arranged before discharge.

Here are some questions that this home assessment can help answer:

- ▶ **Space.** Where should the hospital bed go? Is there a smaller oxygen tank? Will this piece of equipment fit through the doorway or go in the bathroom or bedroom? If space is a problem, the nurse or therapist might suggest other products that fit better or find a better space for the product you need to get.
- ▶ **Current health status.** How much function does your family member have now? Are there cognitive (thinking) problems, such as memory loss or dementia? If so, these problems may need to be taken into account when choosing DME.
- ▶ **Expected health status.** Is my family member's medical condition likely to get better, worse, or stay the same? Is a walker or rollator (walker on wheels, often with a flip-down seat) good enough for the next few months or years? Will my family member need a wheelchair? Is it expected that my family member will soon walk without equipment (as after a hip or knee replacement)?
- ▶ **DME features.** If my family member needs a cane, how high should it be, what type of handle, and what kind of base? If he or she needs a wheelchair, should it have any special features such as a specially fitted seat? What kind of mattress is best on a hospital bed?
- ▶ **Assistance.** Will someone help set up this equipment at home? Who will operate the equipment? Is that person physically and emotionally able to do so? If not, who else might help? While Medicare and other insurance plans do not consider the family caregiver's abilities in approving the request, the nurse or

therapist doing the assessment should take into account the caregiver's limitations in planning the choice of DME and instructions on how to use it.

Home assessments are always helpful. They can be even more important when requesting DME that is not the standard or cheapest model. Remember that DME has to meet a defined medical need, not just be a convenience. A home assessment can provide information to justify the doctor's order. But even being prepared like this does not guarantee that the process will be easy.

Extra Costs for DME

Even when Medicare or other insurance pays for DME, there can be extra costs.

- ▶ You may need to pay a deductible (money you pay before insurance starts) and coinsurance (percentage of the cost). Medigap or other supplementary insurance may pick up some of these costs.
- ▶ Some vendors charge a fee to deliver and set up the DME.
- ▶ Some DMEs require disposable items or medicines that might not be paid for by insurance.

Medicare or other insurance plans often have certain vendors (approved companies) to provide their DME. If a doctor, nurse or therapist wants you to use a different company then you have to justify that choice. To do so, you must explain why the Medicare-approved vendor cannot meet your needs and why the other company can. Ask your health professional for help doing this.

Here is an example about Medicare payments.

Medicare Part B pays for DME in the same way it covers the costs of doctor visits and out-of-hospital tests and treatments. Under Medicare Part B, the patient pays a once-a-year deductible (\$147 in 2015) for all covered services. After that, the patient pays a 20% coinsurance fee for any service or DME product.



Medicare requires that DME be arranged through a vendor that participates in Medicare. When that vendor is used, Medicare will pay for the DME.

Medicare Rules about Vendors

Medicare requires that DME be arranged through a vendor that participates in Medicare. When that vendor is used, Medicare will pay for the DME. The participating vendor might accept payment directly from Medicare. This is called “assignment of benefits.” But some participating vendors do not accept assignment of benefits. In that case, the vendor will send a bill to your family member. You then must submit this bill to Medicare, which will pay at its standard rate. Your family member may be billed for the difference between what Medicare covered and the remaining balance on the Medicare-approved rate.

Medicare’s Competitive Bidding Program

In 2011 Medicare introduced a competitive bidding process for suppliers of some types of DME in some areas of the country. Under this program, Medicare asked companies to submit bids for various types of DME, much as you would if you were looking for a contractor for home improvements. Medicare then selected a number of vendors it considered reliable and qualified and set prices it would pay. Items included in the program are oxygen equipment and supplies, wheelchairs, hospital beds, among others.

The program applies only to original Medicare, not Medicare Advantage plans. Nine areas of the country participated in Round 1 of the process, and 91 areas were added in Round 2 in 2013. To find out whether your area is included, go to:

<http://www.medicare.gov/what-medicare-covers/part-b/competitive-bidding-program.html>

If you encounter delays or denials, you can appeal to Medicare’s Competitive Acquisition Ombudsman

<http://www.medicare.gov/claims-and-appeals/file-a-complaint/durable-medical-equipment/complaints-about-dme.html>.

Buying or Renting DME

Medicare has rules about whether it will pay for buying or renting some types of DME. Here are examples:

- ▶ Medicare will pay to buy certain inexpensive DME items, such as canes.



Now that you have selected the right DME, it's time to learn how to use it. If other family members or paid caregivers are going to use this equipment, they need to learn this too.

- ▶ Medicare requires you to rent some types of expensive equipment, such as power or manual wheelchairs. This means that Medicare pays vendors a monthly rental fee and you pay 20% as coinsurance. Based on the type of equipment, Medicare has rules about how long this rental period lasts. For most DME, the rental period is 13 months. After that time, you own the equipment.
- ▶ Rules are different for oxygen equipment. While the rental period is 36 months (3 years), the vendor must maintain oxygen equipment and provide supplies for 2 more years. This totals 5 years. After that time, you can get oxygen equipment from another vendor and start a new 5-year cycle.

Learning How to Use and Take Care of DME

Now that you have selected the right DME, it's time to learn how to use it. If other family members or paid caregivers are going to use this equipment, they need to learn this too.

When your family member was in the hospital or rehab facility, a nurse or therapist might have shown you how to use this type of DME. But you might not remember all the instructions, given all that happened the day your family member went home. And you may have had this basic training on a different model than the one that is going to be set up at home. Now that you are home it helps to learn more about using and taking care of this DME.

A technician may bring the DME into your home and then set it up. He or she should also show you how to use the DME, give you an instruction manual, and provide a phone number to call with any questions. While this is a good start, you might need more training about what to do if something goes wrong.

If your family member just left the hospital and is about to get home care services, request that a nurse come to your family member's home within 1 or 2 days. This is a time to not only assess your family member's condition but also teach you about using the DME. To learn more about home care services, read the Next Step in Care guide on home care, http://www.nextstepincare.org/Caregiver_Home/Home_Care/

Make sure there is a PT on the home care team if your family member needs a walker or wheelchair. You might be surprised to find how hard it can be to use a wheelchair. You have to learn



It is important to get the right DME, learn how to use it, and know what to do when something goes wrong.

how to safely get your family member in and out of the wheelchair, how to adjust the seat and leg rests, and how to help make sure that your family member is comfortable. You also have to learn how to safely move the wheelchair through doorways, around corners, up and down ramps, and over sidewalks, curbs, and other hazards.

Here are other examples of what to learn. Some DME, such as nebulizers, need to be cleaned and stored in very specific ways. If the DME has batteries then you need to replace them before they run out. If you use an electric device such as a respirator, make a plan about what to do if the power goes out. You might need to arrange for a generator or back-up power source.

When the DME Needs to Be Repaired or Replaced

Medicare assumes that most DME products have a “reasonable useful lifetime” (RUL) of 5 years. This date starts when you first get the DME. But sometimes the DME wears out, needs new parts, or fails before then. If the DME is under warranty or the RUL has not been reached, the vendor is responsible for repairs. When you first get the DME, ask what to do if something goes wrong. Sometimes it takes a long time to get a technician to assess the problem. Speak up, be persistent, and explain why this DME must get repaired or replaced now.

It often is easier to repair or replace a DME while it is covered by warranty. Read the warranty and ask what your insurance plan would do about repairs or replacements. This may depend on whether you own or rent the DME. To learn more about Medicare’s policies on replacing DME, go to the Medicare Rights Center’s advice at http://www.medicareinteractive.org/page2.php?topic=counselor&page=script&script_id=1761

When You No Longer Need the DME

Can you donate or recycle the DME when your family member no longer needs it? This is a hard question to answer. While some groups may be pleased to get used DME items to give to their clients, others cannot accept such donations. Some community or religious organizations accept just certain kinds of DME. They might not have enough space to store medical equipment. Or the local health department may not allow them to re-use certain items (such as hospital beds) unless they are certified as clean.

When you want to donate or recycle DME, ask your local Area Agency on Aging (AAA) for a list of organizations that may be able to help. To find your AAA go to

[http://www.aoa.gov/AoA_programs/OAA/How To Find/Agencies/find_agencies.aspx](http://www.aoa.gov/AoA_programs/OAA/How_To_Find/Agencies/find_agencies.aspx).

Think Positively!

Yes, DME is complicated and there are many choices. DME can sometimes feel like an unwanted reminder of illness. But remember that DME can make a big difference—both in your family member’s life and in yours as a family caregiver. Over time, most people find DME very helpful. It is important to get the right DME, learn how to use it, and know what to do when something goes wrong.

Acknowledgement: *The United Hospital Fund is grateful for the efforts of the advisory group who generously shared time and expertise in the planning and development of this guide: Laurita Hack, Temple University; Gayle Lee, American Physical Therapy Association; Gerard Mounic, Visiting Nurse Service of New York; Deborah Rasansky, Rasansky Physical Therapy; Scott Rushanan, University of Pennsylvania Home Care and Hospice; Jennifer Rutberg, New Jersey Division on Aging Services; Elizabeth Shaid, University of Pennsylvania School of Nursing; Richard Siegel, Metropolitan Hospital; and Glenn Stewart, Jewish Home Life Care.*