Oxygen Therapy Coverage Criteria

A new home oxygen equipment medical policy (LCD) is effective for dates of service on or after January 1, 2023. The key is making sure the medical record from the patient's chart is clearly documenting the initial need and ongoing need for home oxygen. The medical record does not include the prescription/order. Oxygen coverage is divided into four groups. The blood gas study results begin the process of determining which group the beneficiary qualifies under. In addition to the detailed assessment for home oxygen therapy, a standard written order is required.

GROUP 1

Initial coverage includes acute (short term) or chronic (long term) conditions. Documentation of the medical need is vital for any medical condition.

- The treating practitioner has ordered and evaluated the results of the qualifying blood gas study performed at the time of need.
- The provision of oxygen therapy and equipment in the home setting will improve the beneficiary's condition.
- The blood gas study must meet one of the three testing methods along with the additional criteria indicated below.
- Performed by a physician, qualified provider, or laboratory service that can bill Medicare such as an independent diagnostic testing facility.
- **The blood gas study meets the criteria for Group 1.**
  - Study must have been performed at time of need. Time of need is defined as during the patient's illness when the presumption is that the provision of oxygen will improve the patient's condition in the home setting. For an inpatient hospital patient anticipated to require oxygen upon going home, the time of need would be within two days of discharge.
  - **The medical record documentation needs to support that the treating practitioner has reviewed the results of the qualifying test result.** This can be done by including in the patient's existing chart note, adding as a separate note, or co-signing the actual test result.

Testing Methods

Method 1: At rest while awake, oxygen saturation equal to or less than 88% or ABG equal to or less than 55 mm Hg. This can de done on room air or with oxygen. Be sure it's documented how it was performed.

Method 2: If during exercise, must have the following three tests documented:

1. Oxygen saturation on room air at rest – should be above 88%.
2. Oxygen saturation on room air with exercise – needs to be equal to or less than 88%.
3. Oxygen saturation on oxygen with exercise – shows improvement with oxygen.

NOTE: If patient qualifies with Method 2, then WHOEVER does the testing must document and provide all three test results described above; otherwise the oxygen will not be covered. All three tests must be performed at the same time.

Method 3: During sleep on room air oxygen saturation equal to or less than 88%. Test must be a minimum of two hours of recording time. For Group 1, all items listed above need to be met.

Continued Coverage for Group 1: Once the initial need has been met, an ongoing medical need is just as important for continued coverage. The ongoing need may be documentation in the medical record and/or a standard written order (SWO). Timely documentation is within the preceding 12 months.

GROUP 2

Initial coverage is only good for 90 days. The oxygen testing can be done with an ABG with partial pressure of oxygen (PO2) of 56-59 mm Hg or oxygen saturation of 89% at rest, while awake, during sleep for five minutes, or during exercise as described under Group 1 for testing methods, AND

- Dependent edema suggesting CHF, OR
- Pulmonary hypertension or cor pulmonale, determined by measurement of pulmonary artery pressure, echocardiogram, or "P" pulmonale on EKG, OR
- Erythrocythemia with hematocrit greater than 56%

For continued coverage beyond the initial 90 days, a re-evaluation and a repeat qualifying blood gas test by the treating practitioner between the 61st and 90th days after initiation of therapy and a new SWO by the treating practitioner.

GROUP 3

Group 3 criteria: Initial coverage of home oxygen therapy and oxygen equipment is reasonable and necessary for Group 3 if all of the following conditions are met:

- Absence of hypoxemia defined in Group 1 and Group 2 above; and
- A medical condition with distinct physiologic, cognitive, and/or functional symptoms documented in high-quality, peer-reviewed literature to be improved by oxygen therapy, such as cluster headaches (not all inclusive).

*Group 3 coverage is currently for cluster headaches only.

GROUP 4

Group 4 criteria – Non-Covered Group: Oxygen therapy and oxygen equipment will be denied as not reasonable and necessary if any of the following conditions are present:

1. Angina pectoris in the absence of hypoxemia. This condition is generally not the result of a low oxygen level in the blood and there are other preferred treatments; or,
2. Dyspnea without cor pulmonale or evidence of hypoxemia; or,
3. Severe peripheral vascular disease resulting in clinically evident desaturation in one or more extremities but in the absence of systemic hypoxemia. There is no evidence that increased PO2 will improve the oxygenation of tissues with
4. Terminal illnesses that do not affect the ability to breathe

OBSTRUCTIVE SLEEP APNEA (OSA) WITH THE USE OF HOME OXYGEN THERAPY:

- For patients requiring the use of home oxygen with PAP device, the following must be met:
  - The qualifying blood gas study must be performed during a titration study at a sleep lab facility making sure the pressure is at an optimal setting.
  - Once the optimal pressure is determined, then the testing for the oxygen begins.
  - The titration study needs to be minimum of two hours of recording time.
  - There has to be a reduction in apnea-hypopnea index/respiratory disturbance index (AHI/RDI) reduced to less than or equal to an average of 10 events/hour, or if the initial AHI/ RDI was less than an average of 10 events per hour, then the titration demonstrates further reduction in AHI/RDI.
  - If the beneficiary qualifies during the titration study, the use of home oxygen cannot be prescribed for the diagnosis of OSA.
  - There needs to be another medical condition that is being unmasked that is documented in the patient's medical record.

Patient Transitions From Any Insurance to Traditional Medicare

- Existing test results may be used as long as it meets current Medicare policy.
- Medical record evaluation by the treating practitioner documenting the continued medical need for home oxygen and test results have been reviewed.
- New standard written order