

May 2014

Dear Physician – Home Oxygen Initial Qualification Testing

Dear Physician,

Home use of oxygen and oxygen equipment is eligible for Medicare reimbursement only when beneficiary meets all of the requirements set out in the Oxygen and Oxygen Equipment Local Coverage Determination (LCD) and related policy article (PA). This article reviews the blood oxygen testing requirements. Refer to the LCD and PA for information on additional payment criteria.

Timing of Physician Visit and Testing

For initial qualification testing scenarios, the beneficiary must be seen and evaluated by the treating physician within 30 days prior to the date of initial certification. In addition, the qualification testing must be performed within the 30 days before the initial date of service.

For oxygen initially prescribed at the time of hospital discharge, testing must be performed within the two days prior to discharge. This two-day prior to discharge rule does not apply to discharges from nursing facilities.

Qualifying Test Results

The results of a blood oxygen study that has been ordered and evaluated by the attending physician are used as one of the criteria for determining Medicare reimbursement.

Medicare classifies qualification results into three groups, regardless the test methodology used. The following table summarizes the qualifying results for each group.

Group	ABG (mm HG)	Oximetry (% Sat)	Notes
Group I	≤55	≤88	-
Group II	56-59	89	+ Additional disease criteria
Group III	>59	>89	Presumed noncovered

Qualification Tests

Blood oxygen levels are used to assess the beneficiary's degree of hypoxemia. Blood oxygen levels may be determined by either of two different test methods:

- Arterial blood gas (ABG) measurement; or,
- Pulse oximetry.

Arterial blood gas measurements are more accurate and therefore are the preferred measurement method. When both ABGs and oximetry are performed on the same day, the ABG value must be used for reimbursement qualification.

Blood oxygen values may be obtained using a variety of techniques. The LCD describes the following as acceptable oximetry testing methods:

- At rest and awake – often referred to as “spot” oximetry
- During exercise – requires a series of three tests done during a single testing session:
 - At rest, off oxygen - showing a nonqualifying result
 - Exercising, off oxygen – showing a qualifying result
 - Exercising, on oxygen – showing improvement in test results obtained while exercising off of oxygen
- During sleep
 - Overnight sleep oximetry
 - May be done in hospital or at home. Refer to the LCD for detailed information about home overnight sleep oximetry.
 - Titration Polysomnogram
 - Must be used for beneficiaries with concurrent (OSA) in order to establish that the beneficiary is in the “chronic stable state”
 - Refer to the Positive Airway Pressure Devices LCD for information about testing for OSA

Note: The overnight sleep oximetry and the titration polysomnogram referenced above are *not* the same test as home sleep testing used for the diagnosis of obstructive sleep apnea.

Chronic Stable State (CSS)

All qualification testing must be performed while the beneficiary is in the CSS. CSS requires that all of the following be met:

- [O]ther forms of treatment (e.g., medical and physical therapy directed at secretions, bronchospasm and infection) have been tried, have not been sufficiently successful, and oxygen therapy is still required.
- Each patient must receive optimum therapy before long-term home oxygen therapy is ordered.
- It is expected that virtually all patients who qualify for home oxygen coverage for the first time under these guidelines have recently been discharged from a hospital where they submitted to arterial blood gas tests. If more than one arterial blood gas test is performed during the patient’s hospital stay, the test result obtained closest to, but no earlier than two days prior to the hospital discharge date, is required as evidence of the need for home oxygen therapy. (Note: this is the only exception to the CSS requirement.)
- For those patients whose initial oxygen prescription did not originate during a hospital stay, blood gas studies should be done while the patient is in the chronic stable state, i.e., not during a period of an acute illness or an exacerbation of their underlying disease.

Please refer to the LCD on oxygen, the related policy article and the *Jurisdiction B DME MAC Supplier Manual* for additional information about coverage, billing and documentation requirements. Thank you for your assistance in reducing the CERT error rate.

Sincerely,

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On behalf of:

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