



## Corporate Medical Policy

### Oxygen and Oxygen Supplies

**File Name:** oxygen\_and\_oxygen\_supplies  
**Policy Number:** DME0210  
**Origination:** 1/1980  
**Last Review:** 5/2003

**Active policy, no longer scheduled for routine literature review.**

#### Description of Procedure or Service

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USP Oxygen is a gaseous element existing free in the air. The United States Pharmacopeia (USP) determines the strength, quality and purity. It is administered by inhalation (breathing) with devices that provide controlled oxygen concentrations and flow rates to the patient. Oxygen therapy should maintain adequate oxygen levels to the tissues and cells while avoiding oxygen toxicity (too much oxygen). The patient's condition must be monitored to assure that the patient is receiving the proper mixtures of gases, mists, and aerosols.

Oxygen supplies are those items necessary for the administration of oxygen to the home patient.

#### Policy

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**Active policy, no longer scheduled for routine literature review.**

**BCBSNC will provide coverage for Oxygen and Oxygen Supplies when it is determined to be medically necessary because the medical criteria and guidelines shown below are met.**

#### Benefits Application

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Please refer to Certificate for availability of benefit. This policy relates only to the services or supplies described herein. Benefits may vary according to benefit design, therefore certificate language should be reviewed before applying the terms of the policy. See Professional Services, Other Services for Durable Medical Equipment (DME). Oxygen and oxygen equipment are covered under the DME benefit.

**DME suppliers must meet eligibility and/or credentialing requirements as defined by the Plan to service our members.**

**The individual certificate should be reviewed to verify eligibility requirements and any prior approval or preauthorization necessary for the rental/purchase of equipment.**

#### When Oxygen and Oxygen Supplies are covered

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USP Oxygen and oxygen supplies are eligible for coverage when **ALL** of the following requirements are met:

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1. The oxygen delivery is within 3 days of the physician's prescription and the prescription specifies the following:
  - a. A diagnosis of the disease requiring use of the oxygen;
  - b. Oxygen concentration and flow rate;
  - c. Frequency of use - If the oxygen is prescribed on a PRN, or as needed basis, the anticipated duration of the necessity should be indicated. It will be limited to 6 months. If an extension is necessary, an arterial blood gas (ABG) report must be submitted to justify ongoing benefits. A new prescription is required.
  - d. Method of delivery; and
  - e. Duration of use - If the oxygen is prescribed on an indefinite basis, the case must be reviewed every 6 months with an ABG report submitted to determine whether a medical need continues to exist.
2. The patient has a resting arterial oxygen partial pressure (PO<sub>2</sub>) below 55 mmHg. or saturation below 90% and severe oxygen deprivation symptomology or findings which would be expected to improve with oxygen therapy, such as:
  - a. Recurring congestive heart failure due to chronic cor pulmonale;
  - b. Erythrocytosis requiring repeated phlebotomies (hematocrit greater than 56%);
  - c. Chronic obstructive pulmonary disease (COPD);
  - d. Pulmonary fibrosis; or
  - e. Cystic Fibrosis
  - f. Bronchiectasis
  - g. Cluster headaches when other treatment fails

**See policy Guidelines for specific Oxygen Systems, Tanks, Stands, and Rental arrangements.**

### **When Oxygen and Oxygen Supplies are not covered**

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- A. Oxygen therapy for the following conditions is not considered medically necessary:
  1. Oxygen used in the treatment of angina pectoris in the absence of hypoxemia;
  2. Breathlessness without evidence of hypoxemia;
  3. Severe peripheral vascular disease resulting in clinical symptoms occurring due to lack of oxygen in one or more extremities;
  4. Terminal illnesses that do not affect the lungs.
  5. Welder's oxygen
- B. The following components of oxygen therapy are considered either inclusive in the negotiated rate of the oxygen therapy or are **not medically necessary** and are ineligible for coverage as separate services:
  1. Oxygen and oxygen supplies in facilities that are expected to supply such items;
  2. Set-up or installation of respiratory support systems;
  3. Preset regulators (flow rate not adjustable) used with portable oxygen systems. A preset unit is designed to be a first aid item;
  4. Regulators which permit a flow rate greater than 8 liters per minute, as these units are not appropriate for home use;

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5. An excessive number of spare tanks (1 spare) as they are considered a convenience item only.

### Policy Guidelines

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- ◆ Claims for oxygen are supported by documentation of severe hypoxemia (in the patient's stable chronic state) defined as PO<sub>2</sub> less than 55mmHg or oxygen saturation of less than 90%. Documentation should include an attached laboratory report.
- ◆ Routine oxygen supplies that are considered eligible for coverage include, but are not limited to the following:
  - Portable oxygen systems; for example, Linde Oxygen Walker System
  - Mask or nasal cannula
  - Maxi-Mist
  - Nebulizer, ultrasonic; for example, Mistogen and DeVilbiss
  - Oxygen gauge
  - Oxygen humidifier
  - Oxygen tank (122 cu. ft.) E
  - Oxygen tank (244 cu. ft.) H
  - Oxygen tent
  - Oxygen tubing
  - Oxygen concentrator
- ◆ **Portable Oxygen Systems**
  - Portable oxygen systems are considered eligible for coverage only when necessary to complement the medical needs of a patient who requires a stationary system.
  - The physician's prescription must include the circumstances under which the portable system will be used; for example, the medical purpose to be served by the portable oxygen which cannot be met by the stationary system.
  - Portable systems must be of a design, size, weight, and capacity as to be compatible with the patient's physical capability to handle the apparatus.
  - Ordinarily the "E" tank (122 cu. ft.) does not qualify as a portable oxygen system; however, there may be instances when an "E" tank may be considered medically necessary even though the patient has a stationary tank at bedside. This should be reviewed on an individual consideration basis.
- ◆ **Oxygen Tanks and Stands**
  - Rental of oxygen tanks is considered eligible for coverage. Rental should not exceed the cost of purchase. At the option of the Plan, oxygen tanks may be purchased rather than rented.
  - Charges for oxygen carts, racks, or stands are included in the suppliers fee for use of the oxygen tank, and, therefore, are not eligible for coverage as separate services.
  - If more than one tank is required in a month, the cost of the oxygen contained in two tanks will be covered; however, rental will be paid for the initial tank only. Oxygen quantities which exceed 2 refills per months will be reviewed for medical necessity on an individual basis.
  - Oxygen and oxygen supplies should be of the most economical type. When the amount of

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oxygen needed is relatively small (less than 2L/m), oxygen in gaseous form delivered in cylinders is usually the more economical means of administration. As the amount of oxygen needed increases, it may become more economical to use other systems, such as liquid oxygen or oxygen concentrators which have a greater capacity to store or produce oxygen and thereby eliminate the comparatively more costly frequent deliveries of replacement oxygen.

### Billing/Coding/Physician Documentation Information

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This policy may apply to the following codes. Inclusion of a code in this section does not guarantee that it will be reimbursed. For further information on reimbursement guidelines, please see Administrative Policies on the Blue Cross Blue Shield of North Carolina web site at [www.bcbsnc.com](http://www.bcbsnc.com). They are listed in the Category Search on the Medical Policy search page.

*Applicable codes: E0424-E0444, E0450, E0455, E0460, E0461, E0463, E0464, E0470, E0471, E0472, E0485, E0486, E0500, E0550-E0565, E0601, E1353-E1406, A4611-A4620, S8120, S8121*

*Documentation Required:*

*Date of physician prescriptions*

*Date oxygen delivered (must be within 3 days of physician prescription)*

*Oxygen concentration and flow rate*

*Frequency of oxygen use*

*Anticipated duration of service. (If greater than 6 months, arterial blood gas reports will need to be reviewed. A new prescription is required.)*

BCBSNC may request medical records for determination of medical necessity. When medical records are requested, letters of support and/or explanation are often useful, but are not sufficient documentation unless all specific information needed to make a medical necessity determination is included.

### Scientific Background and Reference Sources

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BCBSA Medical Policy Reference Manual - 7/31/97

Consultant Review August 1997 and October 1997

Medical Policy Advisory Group - 10/99

Specialty Matched Consultant Advisory Panel - 5/2001

BCBSA Medical Policy Reference Manual, 4/15/02, 1.01.12

Specialty Matched Consultant Advisory Panel - 5/2003

### Policy Implementation/Update Information

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1/80 Original Policy

6/83 Reaffirmed

12/92 Revised

## Policy: Oxygen and Oxygen Supplies

- 12/96 Revised: Updated coding for this policy. No other changes.
- 8/97 Revised: Applied limits to oxygen tank refills per month.
- 2/98 Revised: Reviewed National Association Policy, revised based on current National Association and Consultant's recommendations. New indication of cluster headaches for oxygen therapy when all other treatment has failed.
- 8/99 Reformatted, Medical Term Definitions added.
- 10/99 Medical Policy Advisory Group
- 3/2000 Correction of terms under section, "When Oxygen and Oxygen Supplies are covered"; 2.a. change "chronic or pulmonale" to "chronic cor pulmonale". Correction of word under section, "When Oxygen and Oxygen Supplies are not covered"; B.4. change "minutes" to "minute".
- 4/01 System changes.
- 5/01 Specialty Matched Consultant Advisory Panel review (5/2001). No changes to policy.
- 5/03 Specialty Matched Consultant Advisory Panel review 5/2003. Policy status changed to: "Active policy, no longer scheduled for routine literature reiew."
- 5/04 Individual HCPCS codes listed for code ranges E1353-E1406 under Billing/Coding section. Benefits Application and Billing/Coding sections updated for consistency.
- 8/12/04 Codes S8120 and S8121 added to Billing/Coding section.
- 4/07/05 New HCPCS code K0671 added to Billing/Coding section of policy.
- 02/16/06 Added policy number to Key Words. Added HCPCS code E1392 to Billing/Coding section. Deleted codes E0445, E0457, E0459, E0462, E0480, E0481, E0482, E0483, E0484, E0570, E0585 and K0671. Added codes A4611-A4620.
- 10/12/09 Deleted Item 3 "Cluster headaches when other treatment fails" from the When Oxygen Is Covered section, and moved it into the list under Item 2. (adn)

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Medical policy is not an authorization, certification, explanation of benefits or a contract. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the group contract and subscriber certificate that is in effect at the time services are rendered. This document is solely provided for informational purposes only and is based on research of current medical literature and review of common medical practices in the treatment and diagnosis of disease. Medical practices and knowledge are constantly changing and BCBSNC reserves the right to review and revise its medical policies periodically.