

Michigan Department of Community Health

Bulletin Number: MSA 08-29

Distribution: Nursing Facilities, County Medical Care Facilities, Hospital Long Term Care Units, Medical Suppliers

Issued: August 1, 2008

Subject: Oxygen Policy Language

Effective: September 1, 2008

Programs Affected: Medicaid

The purpose of this bulletin is to make the nursing facility and medical supplier oxygen policy language consistent.

Current Nursing Facility policy in Section 9.23 of the Nursing Facility Coverages chapter of the Medicaid Provider Manual states, "As a resident in a County Medical Care Facility or a Hospital Long Term Care Unit, the oxygen gas, equipment, and supplies are billable by the facility."

Current Medical Supplier policy in Section 2.31 of the Medical Supplier chapter of the Medicaid Provider Manual states, "For a County Medical Care Facility or Hospital Long Term Care Unit, the DME provider cannot bill for oxygen gas, equipment and supplies for any resident."

Effective for dates of service on and after September 1, 2008, the Nursing Facility policy will be made consistent with the Medical Supplier policy stating, "For a County Medical Care Facility or Hospital Long Term Care Unit, the DME provider cannot bill for oxygen gas, equipment and supplies for any resident."

The current Nursing Facility policy in Section 8.18 of the Cost Reporting & Reimbursement Appendix regarding frequent and prolonged use of oxygen will also be updated to be consistent with existing policy in the Nursing Facility Coverages chapter and the above language. Section 8.18 will read, "The cost of oxygen related services for frequent or prolonged use on a daily basis (i.e., at least 8 hours per day), regardless of payer source, is an ancillary services cost and is not an allowable routine nursing care cost. For residents requiring frequent and prolonged oxygen use who are in a Nursing Facility, the oxygen gas, equipment, and supplies must be billed by an enrolled medical supplier, not the nursing facility. For residents requiring frequent and prolonged oxygen use in a County Medical Care Facility or a Hospital Long Term Care Unit the oxygen gas, equipment, and supplies must be billed by the nursing facility, not the medical supplier."

Reminder

Oxygen gas, equipment, and supplies for intermittent and infrequent use are included in the nursing facility's per diem rate.

Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved

A handwritten signature in black ink that reads "Paul Reinhart". The signature is written in a cursive style with a large initial "P" and "R".

Paul Reinhart, Director
Medical Services Administration