



State of Vermont  
Agency of Human Services  
280 State Drive, Center Building  
Waterbury, VT 05671-1000

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# Global Commitment Register

November 27, 2019

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GCR 19-012  
PROPOSED

## **Home Oxygen Therapy**

### **Policy Summary:**

Vermont Medicaid proposes to reimburse and provide coverage for Home Oxygen Therapy according to Medicare guidelines. This includes the rental and purchase of oxygen and oxygen related equipment. A detailed description of this change, including two exceptions to Medicare's policy, can be found below.

This change aligns with Medicare billing for durable medical equipment and supplies and is part of Medicaid's ongoing strategy to modernize the way it pays for healthcare services.

### **Effective Date:**

January 1, 2020

### **Authority/Legal Basis:**

[Medicaid State Plan](#)

[Global Commitment to Health Waiver](#): Waiver authority #5 [Section 1902(a)(13), 1902(a)(30)]; Special Term and Condition #29.

### **Population Affected:**

All Medicaid

### **Fiscal Impact:**

The estimated gross annualized budget impact is a savings of \$123,749.

These estimated savings are redistributed across the fee schedule for durable medical equipment, prosthetics, orthotics, and supplies. See [GCR 19-081 Fee for Service Payments for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies](#).

### **Public Comment Period:**

November 27, 2019 - December 27, 2019

Send comments to:

Medicaid Policy Unit  
280 State Drive, Center Building  
Waterbury, VT 05671-1000

Or submit via e-mail to [AHS.MedicaidPolicy@vermont.gov](mailto:AHS.MedicaidPolicy@vermont.gov).

To be added to the GCR email list, send an email to [AHS.MedicaidPolicy@vermont.gov](mailto:AHS.MedicaidPolicy@vermont.gov).

**Additional information:**

[Clinical coverage criteria for Home Oxygen Therapy and Oximeters](#) will be available on the DVHA website when the criteria become effective.

Oximeters will be reimbursed according to the following codes:

Procedure Code/Modifier	Procedure Description	Reimbursement Rate
E0445 NU	Spot check oximeter	\$299.00 purchase price
E0445 RR	Spot check oximeter	\$29.90 rental/month
E0445 TG RR	Downloadable pulse oximeter	\$123.50 rental/month

Oxygen

VT Medicaid criteria will follow the [current Medicare Guidelines as outlined under LCD33797](#).

Vermont Medicaid has two exceptions to the Medicare policy:

- Oxygen equipment will not be owned by the member or VT Medicaid after the end of the 5-year reasonable useful lifetime. At that time, a new 36-month rental period will begin with new oxygen equipment.
- Oximetry rental will be subject to a 10-month cap at which time the item will be considered purchased and paid in full. If the 10-month limit is reached for the capped rental item, ownership transfers to VT Medicaid. Medicaid will cover oximeters (E0445) as a capped rental item and cover up to 6 disposable replacement probes (A4606) per month.