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Home Medical Equipment

Oxygen Contents and Equipment

Oxygen is a chemical element which consists of about 20% atmospheric air and is the essential agent in respiration. The type of oxygen can be liquid or gaseous and the type of system used to deliver the oxygen can be stationary or portable.

Oxygen Contents

The appropriate code should be selected based on the code description when billing for oxygen contents. When a member receives oxygen contents for more than one month, a separate claim for each monthly increment is required. Codes that state “one month’s supply equals one unit” are based on a monthly allowance. Oxygen contents should only be billed once per month, not daily or weekly. It is inappropriate to submit multiple claims within the same month for the same member, and to submit multiple units for a single service date or service dates that span one month of time. Medical record documentation should support the services provided.

Oxygen contents do not apply towards a member’s HME dollar maximum. However, any necessary oxygen-related supplies, such as oxygen masks, tubing, etc., do apply to the maximum. When a member has reached their maximum dollar amount allowed for HME supplies, oxygen supplies over the maximum allowance will be denied. Benefits for oxygen contents will continue to be allowed.

Oxygen Equipment

The appropriate code should be selected based on the code description when billing for oxygen systems and concentrators. These codes are specific to type of system (stationary versus portable), type of oxygen (gaseous versus liquid), and billing method (rental versus purchase). Modifiers must be submitted on the concentrator codes as they do not differentiate between rental and purchase. However, modifiers are not required on the oxygen system codes because the description reflects whether it is for rental or purchase. These modifiers are commonly used when billing oxygen concentrators:

- NU – New equipment
- RR – Rental
- RA – Replacement

When a member rents oxygen equipment for more than one month, a separate claim must be submitted for each monthly increment. It is not appropriate to submit multiple claims within the same month for the same member. Medical record documentation should support the services provided.

Reimbursement for oxygen systems and concentrators is based on medical necessity. A member is allowed to purchase the oxygen equipment. Once purchased, rental claims for that piece of equipment are not allowed and will be returned to the provider. Reimbursement for oxygen equipment accessories such as stands, regulators, and humidifiers will be capped at the purchase amount.