

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT202124 MARCH 30, 2021

IHCP clarifies rental periods of DME capped rental items submitted on or after April 1, 2021

Effective for claims submitted on or after April 1, 2021, with dates of service (DOS) on or after February 1, 2021, the Indiana Health Coverage Programs (IHCP) changed the capped rental period for select procedure codes from 15 months to 6 months or 10 months. The procedure codes applicable to the 6-month or 10-month capped rental period are identified in *IHCP Bulletin* [BT202106](#).

Claims submitted on or after April 1, 2021, which exceed the capped rental period, will be denied with one of the following explanations of benefits (EOBs):

- EOB 6186 – *Indiana Health Coverage Program benefits limits DME rental of this item to 6 units in an 8 month span*
- EOB 6187 – *Indiana Health Coverage Program benefits limits DME rental of this item to 10 units in a 12 month span*
- EOB 6080 – *Indiana Health Coverage Program benefits limits DME rental of this item to 15 months of continuous rental*



For continuous rental periods of capped rental items that begin with DOS on or after February 1, 2021, the maximum number of units that will be reimbursed will be 6, 10, or 15, as described in *BT202106*. For continuous rental periods of capped rental items that began prior to February 1, 2021, and continue after February 1, 2021, the number of units reimbursed may be greater than the new 6-unit or 10-unit limit. For rental periods in this transition time, providers will be eligible for payments of no fewer than 6 units (or 10 units) but no more than 15 units. Conditions that impact the number of units reimbursed are the number of units paid for DOS prior to February 1, 2021, and whether the item now has a 6-month or 10-month unit limitation.

The 6- and 10-month rental periods work the same as the 15-month period as far as when the number of units is reached, no more payments are made and the rental item is considered purchased.

Claim examples

The following examples are provided to illustrate the guidelines to follow with the updated rental periods.

Example 1: 15-unit capped rental limit applied

A member receives E0140 – *Walker, with trunk support, adjustable or fixed height, any type* and begins a continuous rental period starting on April 1, 2020. The provider bills the rental period monthly on the first day of the month. As of January 31, 2021, the provider had received 10 monthly rental payments (April 2020 through January 2021). The rental period continues, and the provider continues to bill on the first of the month for the rental fee. For DOS prior to February 1, 2021, this code is subject to a 15-month capped rental period. For DOS on or after February 1, 2021, this code is subject to a 10-month capped rental period. The provider continues to receive rental payments for February 2021 through June 2021, which is 5 additional months. When the provider submits the claim for the July 2021 rental, the rental detail will deny with EOB 6080 – *Indiana Health Coverage Program benefits limits DME rental of this item to 15 months of continuous rental*. The provider received 15 monthly rental payments (starting in April 2020), so no further payments will be made for this rental period (the item is considered purchased).



Example 2: New capped rental limit applied

A member receives K0814 – *Power wheelchair, group 1 standard, portable, captains chair, patient weight capacity up to and including 300 pounds* and begins a continuous rental period starting on November 1, 2020. The provider bills the rental period monthly on the first day of the month. As of January 31, 2021, the provider had received three monthly rental payments (November 2020 through January 2021). The rental period continues, and the provider continues to bill on the first of the month for the rental fee. For DOS prior to February 1, 2021, this code is subject to a 15-month capped rental period. For DOS on or after February 1, 2021, this code is subject to a 6-month capped rental period. The provider continues to receive rental payments for February 2021 through July 2021, which is 6 additional months. When the provider submits the claim for the August 2021 rental, the rental detail will deny with EOB 6186 – *Indiana Health Coverage Program benefits limits DME rental of this item to 6 units in an 8 month span*. The provider reached the 6-month rental cap, because 6 months of rental payments had been made for DOS on or after February 1, 2021. No further payments will be made for this rental period (the item is considered purchased). The provider received a total of nine rental payments (three for DOS prior to February 1, 2021, and six for DOS on or after February 1, 2021).

Additional information

These payment limitations will occur even if the member has an approved prior authorization (PA) for additional units. Claims submitted for continuous rental periods with DOS between February 1, 2021, and March 31, 2021, will not be recouped and reprocessed.

This information is available in the following code tables available from Durable and Home Medical Equipment and Supplies Codes (accessible from the [Code Sets](#) page at in.gov/medicaid/providers):

- Procedure Codes for DME/HME Subject to a 6-Month Capped Rental Period
- Procedure Codes for DME/HME Subject to a 10-Month Capped Rental Period
- Procedure Codes for DME/HME Subject to a 15-Month Capped Rental Period

The billing information in this publication applies to services delivered under the fee-for-service (FFS) delivery system. Individual managed care entities (MCEs) establish and publish reimbursement, PA, and billing criteria within the managed care delivery system. Questions about managed care billing and PA should be directed to the MCE with which the member is enrolled.



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