Oxygen therapy ordering, documentation and testing requirements

What is needed

- Evidence of an in-person visit with a treating physician 30 days prior to dispensing.
- An initial Dispensing order.
  - In the state of Wisconsin, Oxygen is considered a drug. An example of a Detailed Written Order (DWO) for oxygen is:
    02 (item to be dispensed) at 2LPM (concentration) continuously (frequency) via nasal cannula (route of administration).
- Signed certificate of medical necessity (CMN)/detailed written order after delivery.
- Evidence of qualifying test results done within 30 days prior to dispensing or within 2 days of discharge from a hospital.
- Sufficient documentation in the patient’s medical record to substantiate the necessity for the items ordered, prescribed liter flow, hours of usage (i.e. continuous, with rest, with activity, etc.) and delivery mode (i.e. nasal cannula, non-rebreather, bleed in to a device, etc.). Documentation on prescriptions or letters of medical necessity is not considered part of the medical record.
- Documentation of the patients reevaluated by the treating physician within 60-90 days after delivery and/or annually.

Coverage and Testing Specifications

- The patient has
  - a severe lung disease or hypoxia-related symptoms that might be expected to improve with oxygen therapy, Hypoxia alone does not qualify.
  - a qualifying blood gas/oximetry study that was performed by a provider who is qualified to bill Medicare for the test – i.e., a Part A provider, a laboratory, an Independent Diagnostic Testing Facility (IDTF), or a physician.
- If the test was performed during an inpatient hospital stay the test must be performed no earlier than 2 days prior to the hospital discharge date.
- If the test was not performed during an inpatient hospital stay, the reported test must be performed while the beneficiary is in a chronic stable state – i.e., not during a period of acute illness or an exacerbation of their underlying disease.
- Alternative treatment measures have been tried or considered and deemed clinically ineffective.

Testing at rest, (Routine or “spot” pulse oximetry)

Oxygen will be covered when -Arterial oxygen saturation are at or below 88% taken at rest while awake, or Arterial oxygen saturation are at or below 88% for at least 5 minutes taken during sleep for a patient who demonstrates an arterial oxygen saturation at or above 89% while awake. Or a decrease in arterial oxygen saturation more than 5% from baseline saturation for at least 5 minutes taken during sleep with associated with symptoms.

Testing during activity/Exercise

When oxygen is covered based on an oximetry study obtained during exercise, there must be documentation of three (3) oximetry studies in the beneficiary’s medical record.(1) Testing at rest without oxygen, (2) testing during exercise without oxygen, and (3) testing during exercise with oxygen applied (to demonstrate the improvement of the hypoxemia) are required. All 3 tests must be performed within the same testing session. Exercise testing must be performed in-person by a physician or other medical professional qualified to conduct exercise oximetry testing.

Overnight Oximetry Studies
Overnight sleep oximetry may be performed in a facility or at home (facility testing is preferred). Home based overnight oximetry tests must be done under the direction of a Medicare-enrolled Independent Diagnostic Testing Facility (IDTF). The IDTF must send the test results to the physician. The IDTF may send the test results to the supplier if the supplier is currently providing or has an order to provide oxygen or other respiratory services to the beneficiary or if the beneficiary has signed a release permitting the supplier to receive the report. Home overnight oximetry while the beneficiary is awake, either at rest or with exercise may not be used for purposes of qualifying the beneficiary for home oxygen therapy.

**Obstructive Sleep Apnea (OSA), Polysomnography**

Some beneficiaries may require the simultaneous use of home oxygen therapy with a PAP device. To be considered for simultaneous coverage, all requirements in the Indications and Limitations of Coverage and/or Medical Necessity for both the Oxygen and Oxygen Equipment and Positive Airway Pressure (PAP) Devices for the Treatment of Obstructive Sleep Apnea LCDs must be met. Consequently, in addition to this LCD, Coverage of home oxygen therapy requires that the beneficiary be tested in the “chronic stable state”. Chronic stable state is defined as “…not during a period of an acute illness or an exacerbation of their underlying disease,” all co-existing diseases or conditions that can cause hypoxia must be treated. In addition, the beneficiary must have a severe lung disease, such as chronic obstructive pulmonary disease, diffuse interstitial lung disease, cystic fibrosis, bronchiectasis, widespread pulmonary neoplasm, or hypoxia-related symptoms or findings that might be expected to improve with oxygen therapy.

1. The titration is conducted over a minimum of two (2) hours; and,
2. During titration:
   A. The AHI/RDI is reduced to less than or equal to an average of ten (10) events per hour; or,
   B. If the initial AHI/RDI was less than an average of ten (10) events per hour, the titration demonstrates further reduction in the AHI/RDI; and,
3. Nocturnal oximetry conducted for the purpose for oxygen reimbursement qualification may only be performed after optimal PAP settings have been determined and the beneficiary is using the PAP device at those settings; and,
4. The nocturnal oximetry conducted during the PSG demonstrates an oxygen saturation ≤ 88% for 5 minutes total (which need not be continuous)

For more information regarding durable medical equipment, contact Home Health United at 1-800-924-2273 or visit the National Government Services website.