

**12/10/2020**

## **Home Health Durable Medical Equipment and Supplies Exceptional Circumstances Provision**

### **Background:**

Texas Medicaid's obligation to consider coverage of medically necessary Durable Medical Equipment (DME) and supplies not otherwise covered as a Texas Medicaid benefit for clients 21 years of age and older is known as the home health DME and supplies exceptional circumstances provision ("exceptional circumstances").

Under 42 Code of Federal Regulations (CFR) §440.70(b)(3)(v), states must have a process that uses reasonable and specific criteria to assess items for coverage and criteria for requesting medical equipment, including items listed as non-covered services in the Texas Medicaid Provider Procedures Manual (TMPPM) and any other DME and supplies that are not already a benefit of Medicaid. The exceptional circumstances provision complies with 42 Code of Federal Regulations (CFR) §440.70(b)(3)(v), and 1 Texas Administrative Code (TAC) §354.1039(a)(4)(D). Additionally, a requirement for MCOs to deliver home healthcare services in accordance with 42 C.F.R. §440.70 was added to managed care contracts in September 2018.

### **Key Details:**

In accordance with Chapter 16 of the Uniform Managed Care Manual (UMCM) and the Uniform Managed Care Contract (UMCC), MCOs must provide all medically necessary Medicaid-covered services and benefits in the same amount, duration, and scope as is available through fee-for-service (FFS) as reflected in the Texas Medicaid State Plan and detailed in the TMPPM. (UMCM Section 16.1.2.22 and UMCC Section 8.1.2)

There is no exhaustive list of Medicaid-covered DME and supplies. Rather, 42 CFR §440.70(b)(3)(v) provides a general description of allowable items. Based on this regulation, allowable items include medical supplies, equipment, and appliances suitable for use in any setting in which normal life activities take place.

Supplies are health care related items that are consumable, disposable, or cannot withstand repeated use by more than one individual, that are required to address an individual medical disability, illness or injury.

Equipment and appliances are items primarily and customarily used to serve a medical purpose, generally not useful to an individual in the absence of a disability, illness or injury, can withstand repeated use, and can be reused or removed.

If a member requests an item that could be described as a supply, equipment, or an appliance using these parameters, but is not included as a Texas Medicaid covered item, the MCO should pursue coverage under the exceptional circumstances process. Examples of such items include:

- Augmentative communication device (ACD) systems
- bath and bathroom equipment
- bone growth stimulators
- diabetic equipment and supplies
- hospital beds and equipment
- incontinence supplies
- IV supplies and equipment
- mobility aids
- nutritional (enteral) products, supplies and equipment
- PT/INR monitors and related testing supplies
- wound care equipment and supplies

Effective June 1, 2020, the TMPPM was updated with information on operationalizing the exceptional circumstances provision for Medicaid clients 21 years of age and older.

Providers must submit requests for medically necessary DME and supplies not listed as a covered benefit under Texas Medicaid to the member's MCO through the exceptional circumstances process such as the process outlined in the TMPPM. This process is limited to DME and supplies permitted under federal Medicaid rules.

DME and supplies allowed under the exceptional circumstances provision must be prior authorized by the MCO.

Attached are related FAQs that MCOs may find helpful.

**Resources:**

Home Health Durable Medical Equipment and Supplies Exceptional Circumstances Provision Questions and Answers (Attached)

**Contact:**

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**Attachment:**

Home Health Durable Medical Equipment and Supplies Exceptional Circumstances Provision Questions and Answers.pdf

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