



Qualified Health Plans offered in North Carolina by CareSource North Carolina Co., d/b/a CareSource

MEDICAL POLICY STATEMENT North Carolina Marketplace	
Policy Name & Number	Date Effective
Durable Medical Equipment Repairs-NC MP-MM-1583	04/01/2025
Policy Type	
MEDICAL	

Medical Policy Statement prepared by CareSource and its affiliates are derived from literature based on and supported by clinical guidelines, nationally recognized utilization and technology assessment guidelines, other medical management industry standards, and published MCO clinical policy guidelines. Medically necessary services include, but are not limited to, those health care services or supplies that are proper and necessary for the diagnosis or treatment of disease, illness, or injury and without which the patient can be expected to suffer prolonged, increased or new morbidity, impairment of function, dysfunction of a body organ or part, or significant pain and discomfort. These services meet the standards of good medical practice in the local area, are the lowest cost alternative, and are not provided mainly for the convenience of the member or provider. Medically necessary services also include those services defined in any Evidence of Coverage documents, Medical Policy Statements, Provider Manuals, Member Handbooks, and/or other policies and procedures.

Medical Policy Statements prepared by CareSource and its affiliates do not ensure an authorization or payment of services. Please refer to the plan contract (often referred to as the Evidence of Coverage) for the service(s) referenced in the Medical Policy Statement. If there is a conflict between the Medical Policy Statement and the plan contract (i.e., Evidence of Coverage), then the plan contract (i.e., Evidence of Coverage) will be the controlling document used to make the determination. According to the rules of Mental Health Parity Addiction Equity Act (MHPAEA), coverage for the diagnosis and treatment of a behavioral health disorder will not be subject to any limitations that are less favorable than the limitations that apply to medical conditions as covered under this policy.

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A. Subject

Durable Medical Equipment Repairs

B. Background

Durable medical equipment (DME) is equipment that serves a medical purpose, helps complete activities of daily living (ADLS), can withstand repeated use, and is primarily used in the home. DME includes items, such as wheelchairs, hospital beds, continuous positive airway pressure (CPAP), walkers, oxygen tanks, etc. DME is dispensed when medical necessity is established to meet the needs of the member's medical condition.

DME is likely to last 3 years or more but may require maintenance, service, or repair periodically. When service is required, the DME provider may request authorization to perform the required maintenance, service, or repair to restore the DME item to working order.

C. Definitions

- **Durable Medical Equipment (DME)** – Equipment that can stand repeated use, is primarily and customarily used to serve a medical purpose, is not useful to a person in the absence of illness or injury, and is appropriate for use in the home.
- **Healthcare Common Procedure Coding System (HCPCS)** – A numeric and alphanumeric code set maintained and distributed by CMS for the uniform designation of certain medical procedures and related services.
- **Repair** – The repairs, including the replacement of essential accessories, such as hoses, tubes, mouth pieces, etc., for necessary DME are covered when required to make the item/device serviceable.
- **Replacement** – Replacement of DME is for the same or similar type of equipment which is beyond its reasonable useful life span and has become irreparable.

D. Policy

- I. A review of medical necessity is required for all DME repairs.
If the DME item was not originally approved by CareSource, medical necessity must be established before any repair is authorized.
- II. Providers must include the following:
 - A. specification of the item, including manufacturer, model, and serial number, if applicable
 - B. date on which the item was originally purchased or dispensed or, if the date is not known, the approximate age of the item
 - C. any warranty period and the type of warranty (manufacturer or dealer)
 - D. a full description of the wear, damage, or malfunction
 - E. a full description of the repair
 - F. a description, with dates, of previous repairs (both major and minor)
 - G. a complete itemization of parts
 - H. an estimate of labor time needed. Labor should be billed with K0739 for 15-minute increments, 4 units = 60 minutes of labor

The MEDICAL Policy Statement detailed above has received due consideration as defined in the MEDICAL Policy Statement Policy and is approved.

III. During the medical necessity review

- A. Providers should advise CareSource when, in their professional opinion, replacement of an item would be more cost-effective than repair.
- B. CareSource may consider whether the purchase of a new piece of equipment may be more cost-effective than continued repair. CareSource will not reimburse a repair that exceeds the cost of a replacement item.
- C. Multiple repairs requested within a short time span may suggest deliberate or malicious damage or destruction. In these cases, repair may be denied.

IV. No separate payment will be made for the following items or services:

- A. temporary replacement ("loaner") equipment provided while an individual's own equipment is being repaired
- B. repair of an item if within the preceding twelve months Medicaid payment has been made for the repair of a duplicate or conflicting item currently in the individual's possession
- C. repair of an item that is no longer deemed to be medically necessary

V. CareSource considers a replacement part as a new equipment purchase and modifier NU should be used instead of modifier RB.

E. Conditions of Coverage

NA

F. Related Policies/Rules

NA

G. Review/Revision History

DATE		ACTION
Date Issued	02/14/2024	New policy. Approved at Committee.
Date Revised	01/15/2025	Annual review. Updated references and medical necessity language. Approved at Committee.
Date Effective	04/01/2025	
Date Archived		

H. References

1. Definitions, 42 U.S.C. § 1395x (2024).
2. Repairs, maintenance, replacement, and delivery. *Medicare Benefit Policy Manual, XV: Covered Medical and Other Health Services*. Centers for Medicare and Medicaid Services; 2023:110.2. Accessed December 16, 2024.
www.cms.gov

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