

Oxygen Equipment

Revised: August 9, 2022

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Overview

Home oxygen therapy is used to treat and prevent symptoms and complications of hypoxemia, and for treatment of certain other medical conditions.

Eligible Providers

The following providers may provide oxygen equipment:

- Medical suppliers
- Pharmacies
- Home health agencies
- Hospitals
- Indian Health Services
- Federally qualified health centers
- Rural health clinics

TPL and Medicare

Providers must meet any provider criteria, including accreditation, for third party insurance or for Medicare to help members for whom MHCP is not the primary payer.

MHCP quantity limits and thresholds apply to all members unless they are requesting only Medicare coinsurance or deductible.

Medicare payment for oxygen equipment is limited to 36 months. Providers may not bill MHCP for oxygen equipment supplied to Medicare beneficiaries when the 36-month cap is reached. Providers may not transfer dual eligible members to the contract provider when the 36-month cap is reached. Follow Medicare policy when serving dual eligible members.

Oxygen Contract

DHS contracts for oxygen equipment and supplies. Contract vendors may supply only in their designated contract regions. Refer to the [current volume purchase contract \(PDF\)](#).

Noncontract oxygen vendors may provide oxygen **only** if one of the following exceptions applies:

- Members who are dually eligible for Medicare and MHCP may use noncontract vendors for their oxygen supplies. If Medicare denies coverage because the member does not meet coverage criteria, the noncontract vendor must refer the member to a contract vendor within 30 days unless another exception applies. If Medicare denies coverage because the member has met the 36-month coverage limitation, the noncontract vendor may not transfer the patient to the contract vendor.
- Members who have non-Medicare TPL and MHCP may use noncontract vendors for their oxygen supplies only if the TPL requires a different vendor. If the TPL denies coverage because the member does not meet coverage criteria, the noncontract vendor must refer the member to a contract vendor within 30 days unless another exception applies. If the TPL denies coverage because the member has met a time-limited coverage limitation, the noncontract vendor may not transfer the patient to the contract vendor.

- Members using respiratory life support equipment that requires oxygen as a driver or power source to sustain life, or using oxygen in conjunction with life support equipment in the home, may obtain oxygen from the provider who supplies the respiratory life support equipment.
- Members found retroactively eligible for MHCP. Noncontract oxygen vendors will be reimbursed for oxygen services at the contract rate for services provided during the retroactive eligibility period through the date the county determines eligibility for MHCP. When MHCP eligibility is determined, the noncontract vendor must refer the member to a contract vendor within 30 days unless another exception applies.
- Long-term care facilities that do not include oxygen in the per diem rate and own piped gas systems. LTC facilities may purchase gaseous oxygen from noncontract vendors and may bill MHCP for the oxygen contents at the contract rate.
- Members who are traveling outside of Minnesota for reasons other than medical care approved by MHCP may make arrangements with any MHCP-enrolled provider who is willing to serve them if the contract vendor will not provide oxygen while the member is out of state. The member must notify the contract vendor before departure. The member must cooperate with the contract vendor if the contract vendor chooses to pick up oxygen equipment during the member's time out of state.

Volume Purchase Contract Management

DHS and Department of Administration representatives meet with volume purchase vendors as needed to discuss contract implementation and issues. Direct concerns about the volume purchase contracts, in writing, to:

Minnesota Department of Administration
 Materials Management Division
 112 Administration Building
 50 Sherburne Avenue
 St. Paul, MN 55155

Eligible Members

Oxygen is covered for eligible MHCP members who meet medical necessity criteria.

Covered Services

Codes: E0424, E0431, E0434, E0439, E0441-E0444, E1390, E1392, S8120-S8121 – Oxygen equipment and contents; E1399 with modifier QH – oxygen conserving device

MHCP covers oxygen and oxygen equipment in the following circumstances:

- When the member's blood oxygen levels indicate the need for oxygen therapy and one of the following is present:
 - Diagnosis of severe lung disease such as chronic obstructive pulmonary disease, diffuse interstitial lung disease, cystic fibrosis, bronchiectasis, and so on.
 - Diagnosis of hypoxia-related symptoms caused by an underlying medical condition such as pulmonary hypertension, congestive heart failure, erythrocytosis, and so on.
 - Short-term need due to diagnosis of conditions that usually resolve with limited oxygen therapy such as pneumonia, croup, bronchitis, and so on.
- The member has a diagnosis not directly related to hypoxia for which short-term or intermittent use of oxygen has been shown to be beneficial:
 - Cluster headaches when other treatment has failed and the member has expressed a willingness to keep portable oxygen accessible throughout the day. If the member is not willing to keep portable oxygen accessible while away from home, oxygen is not an appropriate treatment.
 - Pediatric bronchopulmonary dysplasia where the need for oxygen is variable and cannot be clearly established with blood oxygen levels.
 - Hemoglobinopathies in patients with a history of vaso-occlusive crises.

MHCP does not require specific PaO₂ or oxygen saturation values for coverage. The physician's order must clearly state the member's diagnosis, the PaO₂ or oxygen saturation levels, the ordered flow rate and number of hours per day that oxygen is required.

Portable Concentrators, Home Liquefier Systems and Home Compressor Systems

- For portable concentrators, home liquefier systems and home compressor systems, the provider must determine if the system is sufficient to meet all of the member's needs, and whether the member or member's caregivers are able to use the system safely and effectively.

- Portable concentrators may be appropriate for patients traveling for out-of-state medical care.
- A second concentrator may be dispensed if necessary to meet the member's needs due to high oxygen flow, or when it is necessary to have one concentrator at home and a second at school or a work place. The concentrators must be delivered on different days. Contractors must pick up concentrators for use at school during school breaks over four weeks. MHCP will cover portable gas or portable liquid oxygen systems for members with stationary concentrators.
- All members with covered concentrators must have gaseous oxygen supplies sufficient for 12 hours emergency use.

Noncovered Services

MHCP does not cover the following:

- Oxygen purchased from airlines for use during travel
- Stands, racks and wheeled carts for oxygen equipment are not separately covered
- Replacement accessories for portable concentrators are not covered because MHCP does not purchase portable concentrators
- Portable liquid or gas oxygen systems for members with portable concentrators, home liquefier systems or home compressor systems
- Second concentrators for use at school or work for members with portable concentrators, home liquefier systems or home compressor systems

Authorization

No oxygen equipment requires authorization.

Billing

- Use MN-ITS 837P Professional. Refer to the MN-ITS User Guide for Durable Medical Equipment, Medical Supplies, Prosthetics and Orthotics for billing instructions.
- For gaseous oxygen systems when MHCP is primary payer, E0424 includes 50 cubic feet of gaseous contents. Use S8120 for all additional gaseous contents.
- For liquid oxygen systems when MHCP is primary payer, E0439 includes 10 pounds of liquid contents. Use S8121 for all additional liquid contents.
- When MHCP is not the primary payer, bill MHCP the same way the primary payer is billed.
- For all claims except Medicare crossover claims, payment is limited to the MHCP contract rate for the member's county of financial responsibility (usually the county of residence).
- Do not bill disposable accessories or oxygen for emergency backup separately. The cost of disposable accessories is included in the contracted rates for gaseous and liquid oxygen systems. This applies to both contract and noncontract vendors.
- Medicare does not cover the rental or purchase of oxygen equipment or contents when the member is living in a long-term care facility. Providers must follow MHCP billing procedures, including MHCP instructions regarding S8120 and S8121 for excess quantities of contents. It is not necessary to bill Medicare before billing MHCP.

Managed Care

Claims for MinnesotaCare members experiencing a temporary break in managed care coverage will deny for pricing reasons. Contact the [MHCP Provider Resource Center](#) and request a work order to send the claim for review and possible payment.

Legal References

[Minnesota Statutes 256B.04](#), subdivision 14, Competitive bidding
[Minnesota Statutes 256B.0625](#), subdivision 31, Covered Services
[Minnesota Rules 9505.0310](#), Medical Supplies and Equipment