

APA-1

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control No: 560 Department or Agency: Alabama Medicaid Agency

Rule No: 560-X-13-.01

Rule Title: Durable Medical Equipment, Supplies, Appliances, Prosthetics, Orthotics & Pedorthics - General

\_\_\_\_\_ New Rule; X Amend; \_\_\_\_\_ Repeal; \_\_\_\_\_ Adoption by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? \_\_\_\_\_ no

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? \_\_\_\_\_ yes

Is there another, less restrictive method of regulation available that could adequately protect the public? \_\_\_\_\_ no

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? \_\_\_\_\_ no

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? \_\_\_\_\_ no

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? \_\_\_\_\_ yes

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Does the proposed rule have any economic impact? \_\_\_\_\_ no

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

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Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer: Stephanie Lindsay

Date: 12/19/2016

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**ALABAMA MEDICAID AGENCY**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE:** 560-X-13-.01

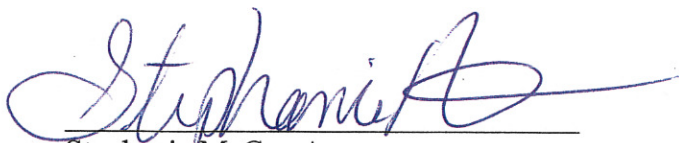
**INTENDED ACTION:** Amend 560-X-13-.01, Durable Medical Equipment, Supplies, Appliances, Prosthetics, Orthotics & Pedorthics - General

**SUBSTANCE OF PROPOSED ACTION:** The above referenced rule is being amended to clarify the definition of Durable Medical Equipment per the Center for Medicaid and Medicare Services (CMS) guidelines.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:** Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than February 3, 2017.

**CONTACT PERSON AT AGENCY:** Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Phone: (334) 242-5833.



Stephanie McGee Azar  
Commissioner

## Chapter 13. Durable Medical Equipment, Supplies, Appliances, Prosthetics, Orthotics & Pedorthics

### Rule No. 560-X-13-.01 Durable Medical Equipment, Supplies, Appliances, Prosthetics, Orthotics & Pedorthics - General

- (1) Durable Medical Equipment (DME), supplies, and appliances, ~~Prosthetics, Orthotics and Pedorthics (POP)~~ are available as Medicaid program benefits to eligible Medicaid beneficiaries for use in any setting in which normal life activities take place Medicaid eligible of any age living at home.
- ~~(2) The covered DME, supplies, and appliances, and Prosthetics, Orthotics and Pedorthics (POP) are for medical therapeutic purposes, and must be ordered by the prescriber in connection with the plan of treatment, and the items will minimize the necessity for hospitalization, nursing home, or other institutional care. The prescriber of these items must comply with 42 C.F.R. § 440.70 as well as all other federal and state rules and regulations in order to receive reimbursement.~~  
~~(2)~~
- (3) DME is equipment:
  - (a) that can withstand repeated use;
  - (b) is primarily and customarily used to serve a medical purpose;
  - (c) generally is not useful to a person in the absence of an illness, disability or injury; and
  - (d) can be removable or reusable is appropriate for use in the home.All requirements of the definition must be met before an item can be considered to be DME.
- (4) Refer to Rule No. 560-X-13-.18 for Prosthetics, Orthotics and Pedorthics (POP)~~POP~~ guidelines.
- (5) The cost of the item must not be disproportional to the therapeutic benefits or more costly than a reasonable alternative. The item must not serve the same purpose as equipment already available to the recipient. DME may be purchased or rented for a Medicaid recipient meeting the established criteria. Please refer to Chapter 14, DME, of the Medicaid Provider Manual published on Medicaid's website.
  - (a) Medicaid covers the purchase of DME items for long term use. Long term use is defined as the use of DME which exceeds six months.
  - (b) Medicaid covers the rental of DME items for six months or less.
- (6) A recipient does not have to be a Home Health Care patient in order to receive coverage for products covered under this Chapter.

- (7) The provider is responsible for educating the recipient in the use of the DME. The provider is also responsible for delivery and set up of the DME.
- (8) All appliances and standard DME approved for payment by Medicaid must have a warranty of a minimum of one year; this may include the manufacturer's warranty. Please refer to Rule No. 560-X-13-19.

**Author:** Kelli Littlejohn Newman, PharmD, Director, Clinical Services.

**Authority:** State Plan; 42 CFR Section 440.70; and Title XIX, Social Security Act.

**History:** Rule effective October 1, 1982. **Amended:** November 11, 1985, March 10, 1997, July 9, 1997, September 15, 2004. **Amended:** Filed May 11, 2012; effective June 15, 2012.

**Amended:** Filed April 11, 2014; effective May 16, 2014. **Amended:** Filed November 18, 2015; effective February 25, 2016. **Amended:** Filed December 19, 2016