

## Oxygen Equipment and/or Supplies

A supplier exiting the Medicare oxygen business with oxygen patients who they are unable to transfer to new suppliers are in violation of their regulatory and statutory obligations. Section 1834(a)(5)(F)(ii)(I) of the Social Security Act, and regulation at 42 Code of Federal Regulations Section 414.226(f)(1), requires that an oxygen supplier that received the 36th month rental payment continue furnishing the oxygen equipment they were furnishing in month 36 for any period of medical need for the remainder of the equipment's 5-year reasonable useful lifetime. In accordance with the regulation at 42 Code of Federal Regulations Section 414.226(f)(2), if the supplier furnished gaseous or liquid oxygen equipment (stationary and/or portable) in month 36, they must continue furnishing the gaseous or liquid oxygen contents for this equipment for any period of medical need for the remainder of the equipment's 5-year reasonable useful lifetime. If the beneficiary relocates outside the normal service area of the supplier, the supplier is still responsible for furnishing the oxygen and oxygen equipment in accordance with the statute and regulations. They may make arrangements with another supplier to meet this responsibility and would likely need to reimburse the other supplier under such an arrangement. Under no circumstances can a beneficiary be charged for oxygen equipment furnished after the 36th paid rental month and before the end of the equipment's 5-year reasonable useful lifetime. If there are breaks in need or breaks in service after month 36, the supplier must continue providing the oxygen and oxygen equipment as soon as the break is over, regardless of the length of the break, if the break ends before the end of the equipment's 5-year reasonable useful lifetime.

Further, the regulation at 42 Code of Federal Regulations Section 414.226(g)(1) requires, barring a few exceptions, that the supplier that furnishes oxygen equipment in the first month during which payment is made must continue to furnish the equipment for the entire 36-month period of continuous use, unless medical necessity ends. In addition, the regulation at 42 Code of Federal Regulations Section 414.226(g)(2) prohibits the supplier from changing the modality of stationary oxygen equipment initially furnished (liquid, gaseous, or concentrator), or from changing the modality of portable oxygen equipment initially furnished (liquid, gaseous, portable concentrator, gaseous transfilling system, or liquid transfilling system), unless the physician orders new equipment, the beneficiary chooses to upgrade to newer technology equipment, or CMS or a Medicare Administrative Contractor determines that an exception should apply in an individual case.

Failure to comply with the regulations cited will be considered a violation of 42 Code of Federal Regulations Section 424.57(c)(i) and can therefore be grounds for revocation of your billing number.

**Disclaimer:** Though all publications are checked for accuracy, information is subject to change based on rules or regulations. ?s call NSC- 866-238-9652.

## When Should I Expect a Site Inspection?

**ANYTIME!** Site inspections can be conducted once a supplier submits an enrollment application to the NSC and randomly after billing privileges are granted. DMEPOS suppliers must be compliant with the supplier standards and regulations as outlined in 42 CFR 524.57 (c). Inspectors may conduct full or observational site inspections inclusive of taking photographs, viewing service and storage areas, and requesting documentation, licensure and other key forms critical to maintaining enrollment regulations. As site inspections are required to obtain and maintain Medicare enrollment, suppliers are encouraged to be accommodating to inspectors with regard to allowing access to files and providing requested documents. For your protection, inspectors will always have photo identification and a site visit acknowledgement letter.

### Ask Wendell



**Q.** What is considered to be permanent visible signage with regard to Supplier Standard #7?

**A.** The supplier should maintain a permanent visible sign(s) in plain view and should post hours of operation. The sign must be visible to the public and posted outside of the facility. If the supplier's place of business is located within a building complex, the sign(s) must be visible at the main entrance and/or lobby area of the building and show the exact location of the supplier within the building. However the hours can be posted at the entrance of the supplier with a separate sign. Permanent Signage including the hours of operation should not be easily removed or detached by weather or a person who does not have a business need to remove it. Taped paper signs are not acceptable. Beneficiaries should be able to locate the supplier and their hours of operation through the use of these permanent signs without help from the supplier or other parties.



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