

Medica Protocols

Durable Medical Equipment (DME)

DME Facility Provider will comply with the following protocols of Medica:

1. Follow approved billing procedures of Medica.
2. Obtain prior authorization for certain Health Services as defined by Medica. Prior authorization is not a guarantee of payment.
3. If applicable, provide Health Services pursuant to a medical treatment plan by and under the direction of a Physician, pursuant to the Member's Benefit Contract. In the event of a medical emergency, a medical treatment plan and prior written authorization will not be required.
4. Be bound by Medica's Administrative Requirements, including Administrative Requirements pertaining to Medicare, Medicaid and state government program products, and be bound to the service, access and quality standards, as modified from time to time by Medica and communicated to DME Facility Provider under the terms and conditions of the Agreement.
5. Refer Members only to other Network Providers, including hospitals and other facilities, unless otherwise authorized by Medica pursuant to the Member's Benefit Contract or required by state law¹.
6. If the Member's Benefit Contract is one that requires the Member to receive all or any Health Services from or upon referral by a primary care Physician, the following additional protocols must be adhered to when those Health Services are rendered:
 - (a) Referrals to other Network or non-Network Providers must first be authorized by the Member's primary care Physician; and
 - (b) Health Services must be provided pursuant to the terms and limitations of the Referral Authorization Form issued by or on behalf of the Member's primary care Physician.
7. Exclude from claims any charges for shipping and/or delivery of supplies or drugs not permitted except as otherwise agreed to by Medica.

DME Facility Provider will comply with all reasonable protocols adopted by Medica. In the event Medica adopts any additional or revised protocols, Medica will communicate such additional or revised protocols to DME Facility Provider forty-five (45) days prior to their adoption and permit DME Facility Provider forty-five (45) days to comply with such additional or revised protocols, unless a longer period of time is agreed upon by both parties.

Failure to comply with the protocols of Medica is considered a material breach of the Agreement.

¹ 36 O.S. 2011, Section 6055

DURABLE MEDICAL EQUIPMENT

DME FACILITY PROTOCOLS

On the Effective Date and at all times during the term of the Agreement, DME Facility Provider will meet and be bound by the criteria and standards as listed in this document. DME Facility Provider must also be accessible to all Members and referring Physicians and be able to furnish the levels of service as described in this document. DME Facility Provider will furnish Medica with documentation or other such evidence, suitable to Medica, of compliance with these criteria and standards upon request of Medica.

SERVICE AND ACCESS

DME Facility Provider will:

1. Be certified as a provider of Health Services by Medicare and Medicaid, in the jurisdiction where Health Services are provided, and be certified as a supplier of durable medical equipment by any of the following organizations (“Certifying Organizations”) as required by Medicare and Medicaid; and as required by NCQA in accordance with Medica’s NCQA accreditation requirements:

- Joint Commission on Accreditation of Healthcare Organizations
- Community Health Accreditation Program
- Healthcare Quality Association on Accreditation
- National Board of Accreditation for Orthotic Suppliers
- Board of Certification in Pedorthics
- Accreditation Commission for Healthcare, Inc.
- Board for Orthotist/Prosthetist Certification
- National Association of Boards of Pharmacy
- Commission on Accreditation of Rehabilitation Facilities
- American Board for Certification in Orthotics and Prosthetics, Inc.
- The Compliance Team, Inc.

DME Facility Provider must comply with any other requirement(s) that the federal government, the state where the DME Facility Provider is certified or licensed to provide Health Services applicable to the Agreement, or Medica may deem to be appropriate or necessary.

2. Have available, upon Medica’s request, evidence of certification as a supplier of durable medical equipment by Certifying Organization(s), Member and Physician satisfaction surveys, Medicare/Medicaid surveys, applicable accreditation results, and any other documents referenced in the Agreement, subject to rules and regulations governing patient confidentiality.
3. Provide marketing and total outpatient management support to Medica, and as may be requested by Medica, including but not limited to the following:
 - (a) Cooperate with Medica in its effort to educate Physicians and Medica staff regarding current technologies in durable medical equipment Health Services, as requested by Medica.
 - (b) Participate in case management meetings as requested by Medica.

**DELIVERY, INSTALLATION, MAINTENANCE, REPAIR, STORAGE
AND REMOVAL OF DURABLE MEDICAL EQUIPMENT**

DME Facility Provider will:

1. Unless otherwise specified in this document, deliver, install, provide regular maintenance (as required by the manufacturer or as may be necessary) and repair, and remove durable medical equipment within twelve (12) hours of oral or written authorization by Medica or Member's Physician; provided, however, that such services will be rendered only by DME Facility Provider's trained staff who have satisfied DME Facility Provider's formal orientation and continuing training programs and have formal documentation of such.
2. Upon mutually agreed terms, provide appropriate administrative services for and maintenance of durable medical equipment that may be purchased by Medica.
3. Provide Health Services within Medica's geographic service area, unless otherwise agreed upon by Medica and DME Facility Provider.
4. Respond to emergency calls for repair of life-sustaining equipment as soon as possible but no later than one hour from the time the call is received by DME Facility Provider, subject to limitations due to acts of God. The equipment will be repaired or replaced as soon as possible but no later than two (2) hours from the time the call is received by DME Facility Provider.
5. Use only qualified staff to fully educate and orient Members and their families or other concerned parties, where applicable, in the use of such equipment. Education includes training in emergency procedures in the event of equipment malfunction.
6. Utilize an answering service or published beeper number for 24-hour emergency phone coverage.
7. Be in compliance with the Food and Drug Administration (FDA) regulations regarding the repackaging of drugs.
8. Have a formal equipment recall procedure available to Medica upon request.
9. Use only new and not previously used necessary replacement parts.
10. Use an Oxygen Indicator (OBI) on all oxygen concentrators.
11. Upon Medica's authorization to purchase equipment, offer only new and not previously used equipment for purchase, unless otherwise requested by Medica. A maximum of two months rental fees are applicable toward the purchase of any new equipment.
12. Provide Members with backup life support and monitoring equipment in the Members' homes as appropriate and mutually agreed upon by both parties.
13. Be able to trace oxygen lot numbers from vendor to individual Members.
14. Be able to track equipment by serial number and document preventive maintenance and repair orders.
15. Be in compliance with the Federal Compressed Medical Gas guidelines.

16. Meet the Federal Department of Transportation's standards and guidelines for the transportation of oxygen.

Additional Payment Protocols

DURABLE MEDICAL EQUIPMENT (DME) RENTAL PROTOCOLS

For Durable Medical Equipment Providers and Facility Durable Medical Equipment Providers ("DME Facility Providers"), in addition to the Fee Maximum established in the Agreement, the following provisions shall also apply:

STANDARD RENTAL PROTOCOLS

Unless otherwise specifically addressed below or in a Medica Coverage or Reimbursement Policy, for Health Services to Commercial, Medicaid and state government programs Members, DME Facility Provider agrees to a cap on rental payments and that the cap on rental payments for equipment will be reached when the first of the following events occurs:

- (a) conclusion of a period of twelve (12) months of continuous rental of such equipment; or
- (b) payments by Medica meet a maximum of 100% of the base equipment purchase price established for such equipment in the Agreement, whichever is less.

Unless otherwise specifically addressed below or in a Medica Coverage or Reimbursement Policy, for Health Services to Medicare Members, DME Facility Provider agrees to a cap on rental payments and that the cap on rental payments for equipment will be reached when the first of the following events occurs:

- (a) conclusion of a period of thirteen (13) months of continuous rental of such equipment; or
- (b) payments by Medica meet a maximum of 100% of the base equipment purchase price established for such equipment in the Fee Maximum schedule of DME Appendix A, whichever is less.

EXCLUSIONS TO STANDARD RENTAL PROTOCOLS

Unless otherwise indicated, oxygen and other respiratory-related equipment and services, including but not limited to those listed below, are not subject to the standard rental cap provision:

- Portable hi-pressure oxygen system
- Stationary hi-pressure oxygen system
- Liquid oxygen stationary unit
- Liquid oxygen portable unit
- Oximeter, continuous
- Respiratory assist device, bi-level pressure capability, with backup rate feature, used with invasive or noninvasive interface (e.g. nasal or facial mask) when used as life saving device only
- Stationary or portable ventilator

- Apnea monitor

Skilled Nursing Facility (SNF) standard DME and non-durable supplies, as described in the CMS Medicare Benefit Policy Manual, are ordinarily furnished by a SNF to its residents. Such items are included in Medica's reimbursement to the SNF and *will not be reimbursed separately to DME Facility Provider*.

OXYGEN SERVICES RENTAL CAP PROTOCOLS

For Health Services provided to Members covered under Medica Commercial, Medicaid, and state government program Benefit Contracts, DME Facility Provider agrees that oxygen concentrators are subject to a rental cap of eighteen (18) months from the date the concentrator was delivered. Thereafter, DME Facility Provider may bill Medica once every six (6) months a maintenance amount equal to two (2) times the monthly rental set forth in the Agreement. Any interruption in concentrator usage by the Member during the sixty (60) days from the date of initial delivery of the concentrator by DME Facility Provider is considered as continuous service.

For Health Services provided to Medicare Members covered under Medicare Benefit Contracts, DME Facility Provider agrees that oxygen concentrators are subject to a rental cap of thirty-six (36) months from the date the concentrator was delivered. Thereafter, DME Facility Provider may bill Medica once every six (6) months a maintenance amount equal to two (2) times the monthly rental set forth in the Agreement. Any interruption in concentrator usage by the Member during the sixty (60) days from the date of initial delivery of the concentrator by DME Facility Provider is considered as continuous service.

PAYMENT FOR VOLUME VENTILATORS

Medica will pay DME Facility Provider the Fee Maximum set forth in the Agreement A for stationary or portable volume ventilators. DME Facility Provider must provide a back-up ventilator (unless otherwise determined by Medica), but will not bill Medica for a back-up ventilator where Member's usage is not continuous (that is not 24 hours per day). However, DME Facility Provider may bill Medica for a back-up ventilator where Member's usage is continuous (24 hours per day), and Medica's payment is the Fee Maximum set forth in the Agreement.

PURCHASE AGREEMENT

In the event Medica elects to purchase equipment currently being rented for a Member, DME Facility Provider will apply any and all rental payments already made toward the cost of the purchase of the equipment. If, however, Medica elects to purchase equipment currently being rented and requests that such equipment be replaced with new equipment at the time of purchase, DME Facility Provider will apply rental payments already made, to a maximum of two (2) months rental payments, towards the cost of the purchase of the equipment. Medica may at any time elect to purchase equipment being rented for a Member.

MAINTENANCE AND SERVICE AGREEMENT

DME Facility Provider agrees to adhere to certifying organization(s)' listed in the DME Protocol standards above regarding maintenance and service of all rental equipment.

Payment for the maintenance and service of capped rental equipment will be made to DME Facility Provider by Medica once each six (6) month period. Such payments are equal to one (1) month's rental payment on the respective rental equipment. Unless otherwise specifically addressed below or in a Medica Coverage or Reimbursement Policy, maintenance and service payments for oxygen equipment will be paid once every six (6) months on a maintenance amount equal to two (2) times the monthly rental rate as set forth in the Agreement.

Labor for repair of owned equipment will be made according to the terms set forth in the Agreement.

Repair of owned equipment will be made according to the terms set forth in the Agreement.

LIMITATION OF HEALTH SERVICES AND NON-AUTHORIZED HEALTH SERVICES

If a Member elects to receive Health Services that are over and above those that have been authorized by Medica for that Member, DME Facility Provider may provide such non-authorized health services; however, the payment by Medica to DME Facility Provider will be for authorized Health Services only and will not exceed the amount specified in the Agreement. In order to be eligible for reimbursement of the authorized portion of claim, DME Facility Provider will include with each claim DME Facility Provider's Customary Charges for the Health Services authorized by Medica for Member and a copy of the signed acknowledgment as described in this below, notwithstanding any other arrangement that DME Facility Provider and Member may make in accordance with this provision. The DME Facility Provider may collect from the Member any applicable Copayments, Coinsurance and/or Deductibles for authorized Health Services. In addition, for non-authorized services and supplies, DME Facility Provider may collect from Member a payment mutually agreed to by DME Facility Provider and Member in advance and in writing. Such payment will not exceed the difference between:

- (a) DME Facility Provider's Customary Charge for the Health Services that Medica authorized for use for Member; and
- (b) DME Facility Provider's Customary Charge for the health services requested by Member.

The payment responsibilities of Member must be clearly communicated by DME Facility Provider to Member before the non-authorized health services are provided. Moreover, DME Facility Provider agrees to obtain from the Member a signed acknowledgment verifying Member's understanding of DME Facility Provider's explanation of Member's payment responsibilities. The acknowledgment form must be signed by Member and an authorized representative of DME Facility Provider prior to the rendering of health services to Member. DME Facility Provider agrees to submit a copy of the signed acknowledgment to Medica with claim(s) for Health Services and to maintain a copy of the signed acknowledgment in the appropriate file.

This provision is not intended to extend Member's coverage beyond that set forth in his or her Benefit Contract, nor is it intended to increase Medica's payment responsibilities to DME Facility Provider beyond that set forth in the Agreement. This provision is intended only to permit DME Facility Provider to provide health services to a Member that may be in addition to those that have been authorized by Medica, should Member request such health services and agree to pay any additional amounts set forth in this Section.

DME FACILITY PROVIDER'S PROFESSIONAL STAFF

DME Facility Provider will comply with the following additional requirements, when applicable, as determined by Medica.

1. Employ or retain the services of licensed Respiratory Care Practitioner(s) (RCP), therapists and/or respiratory technicians (collectively "Therapists") who are credentialed and licensed and/or certified under the law of the jurisdiction where treatment is received. Upon request by Medica, provide a list of licensed RCP respiratory Therapists employed by or used by DME Facility Provider.
2. Have a Therapist available 24 hours a day, seven (7) days a week, to instruct Members on use of respiratory-related durable medical equipment.
3. Have Therapists and/or professionals submit reports on a Member's progress to the Member's prescribing Physician at no extra charge to Member or Medica, upon request.
4. Provide 24-hour on-call emergency services utilizing Therapists.
5. Comply with Certifying Organization(s)' standards, including but not limited to, having equipment set up by properly trained staff and requiring Therapists, in accordance with these standards, to provide Members with training, education, and follow-up services associated with equipment, including, but not limited to:
 - oxygen equipment;
 - volume ventilators;
 - CPAP;
 - air compressors;
 - suction machines;
 - apnea monitors;
 - BiPAP; and
 - humidity tracheal systems.