

cmi_145900

Title	Modifier RR – Durable Medical Equipment (DME) Rental, Modifier KR – Rental item-partial month and Modifier LL – Lease/Rental		
Number	CP.PP.380.v1.9		
Last Approval Date	05/14/24	Original Effective Date	02/11/13
Cross Reference	<ul style="list-style-type: none"> • <i>Modifier NU - New DME Equipment and Modifier NR – New DME Equipment when rented</i> • <i>Modifier RA – Replacement of a DME, Orthotic or Prosthetic Item</i> • <i>Durable Medical Equipment (DME)/Home Medical Equipment (HME): Rental to Purchase</i> 		

Coverage of any service is determined by a member's eligibility, benefit limits for the service or services rendered and the application of the Plan's Medical Policy. Final payment is subject to the application of claims adjudication edits common to the industry and the Plan's **professional or facility services claims coding policies**. Reimbursement is restricted to the provider's scope of practice as well as the fee schedule applicable to that provider.

Purpose	To define when the Plan recognizes rental Durable Medical Equipment (DME) services that are submitted on a CMS 1500 paper claim or 837P electronic claim form.
Scope	Applies to all Premera Blue Cross, Premera Blue Cross Blue Shield of Alaska, LifeWise Health Plan of Washington, LifeWise Assurance Company and Premera Blue Cross HMO lines of business and products. Medicare Advantage products are not subject to this policy.
Policy	<p>The Plan requires modifier <i>RR - DME Rental</i> appended to a service to indicate that the DME provided is being rented on a monthly basis. One full month of rental for a rented piece of DME would equal one unit. Each full month of rental must be billed on a single claim line with one unit rather than 30 units.</p> <p>The Plan requires modifier <i>KR - Rental item-partial month</i> appended to a service to indicate that the DME provided is being rented daily (less than a full month). Submission of DME that is rented daily must include a “from” and a “through” date of service along with the appropriate units of service to match the total days rented. If the daily rental period is not continuous, bill a separate line for each unique date of service with a unit of one.</p> <p>The Plan requires modifier <i>LL - Lease/Rental</i> appended to a service to indicate that the DME rental amount is to be applied towards the final purchase price of the DME item. Determination of units and dates of service should follow the same criteria identified above for modifier RR and modifier KR.</p> <p>If the DME item is new or new when rented, modifier <i>NU - New DME</i> or modifier <i>NR – New DME when rented</i> must be appended to the DME code to indicate that the item was new or new when rented, respectively.</p> <p><u>Replacement of a DME, orthotic or prosthetic item</u></p> <p>The replacement DME procedure code must be appended with Modifier RR-RA for the first rental month claim only. Claims submitted with a procedure code appended with modifier RR-RA must include a narrative explaining the reason/need for the</p>

	<p>replacement. The patient’s medical records must document the reason/need for the replacement and be made available for review upon request. Subsequent rental months must then be submitted with a rental modifier (modifier RR) for the remaining rental months.</p> <p>If the replacement piece of DME is being purchased outright, a purchase modifier, NU-RA, must be appended to the DME procedure code. In addition, a narrative explaining the reason/need for the replacement must be included. The patient’s medical records must document the reason/need for the replacement and be made available for review upon request.</p> <p>Codes submitted for rented or leased DME without modifiers RR, KR or LL will be denied reimbursement.</p> <p>A file containing a list of the categories of DME can be accessed using the following link. Codes on this list do not guarantee that they will be reimbursed. Coverage and therefore reimbursement is dependent upon the member’s benefits:</p> <p>https://www.premera.com/documents/044055.pdf</p>
Violations of Policy	<p>Violations of this policy by any party that enters into a written arrangement with the Plan may result in increased auditing and monitoring, performance guarantee contractual penalties and/or termination of the contract. Disciplinary actions will be determined in Plan’s sole discretion.</p> <p>Violations of this policy may be grounds for corrective action, up to and including termination of employment.</p>
Exceptions	None
Laws, Regulations & Standards	None
References	Centers for Medicare and Medicaid Services (CMS) Healthcare Common Procedure Coding System Level II (HCPCS) code set

Policy Owner Review	Payment Integrity Oversight Committee	
Contact	Any questions regarding the contents of this policy or its application should be directed to the Payment Integrity Department.	
Annual Review Dates	05/14/24; 10/12/23; 11/07/22; 12/02/21; 12/30/20; 01/10/20; 01/10/19; 01/15/18; 01/24/17; 01/28/16; 02/06/15; 02/08/14; 02/11/13	
Version History	01/15/18	Clarified paragraph 3 in the “Policy” section
	01/10/19	Annual Review; no changes made
	01/10/20	Annual Review; no changes made
	12/30/20	Clarified the Purpose statement to indicate that the policy pertains to Professional services billed on a CMS-1500 or 837P claim forms
	12/02/21	Clarified the Purpose statement
	11/07/22	Annual review; no changes
	10/12/23	In the Policy section, in the second paragraph, added the last sentence to indicate how to bill a rental period if the dates are not continuous. In the fifth and sixth paragraphs, expanded on the correct coding for replacement DME by using modifier RA. Added the last paragraph which describes the three types of DME categories and included a link to the list of codes

	05/14/24	Created a new section in the Policy “Replacement of a DME, orthotic or prosthetic item” and moved the existing paragraphs into this new section.
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