

Medicare O2 Replacement



Qualified Medicare beneficiaries are eligible for new equipment when existing oxygen equipment is lost, stolen, or irreparably damaged. New equipment is also possible when the equipment has exceeded its five year reasonable useful life (RUL) or a provider/competitor goes out of business.

Through our own experiences with claim denials, rejections, and erroneously paid claims from the prior O2 CMN, we would like to share **three critical reminders** for billing replacement oxygen:

1. **Add the RA Modifier** – In addition to the RR modifier, add the RA modifier to the HCPCS code for the replacement oxygen equipment on the initial claim. The RA modifier **must be removed** from subsequent rental claims to avoid denial.
2. **Include a Narrative** – The electronic claim must transmit with a narrative (NTE) segment. The narrative explains to Medicare why the claim qualifies for replacement. For example, the following narrative indicates replacement after the patient’s previous equipment exceeded the RUL: “PT CHOSE TO REPLACE O2. 5 YR RUL MET. PREVIOUS O2 INITIAL MMDDYY”.
3. **Obtain a New Initial CMN** – A new initial CMN must be logged in your billing system and linked to the oxygen HCPCS to transmit with the initial claim.

We also thought it might be helpful to include a few answers to related, frequently asked questions:

Can I obtain accurate O2 CMN activity from Medicare?

Yes. The easiest way is through CSI access integrated with your billing software that permits real time, **same and similar** queries. Otherwise, you can use the CMN status tools available with **MyCGS** or the **Noridian Medicare Portal**, or simply call the applicable Medicare Jurisdiction’s **IVR**.

How can I figure out which patients have met the RUL?

Query a report from your billing system that lists oxygen HCPCS that have billed past 60 months or were delivered over 5 years ago to determine eligible RUL restarts. Need help, [ask us!](#)

Have questions? Email us at info@miravistallc.com or visit www.miravistallc.com.

References:

Jurisdiction C Supplier Manual Chapter 5: <http://www.cgsmedicare.com/jc/pubs/pdf/chpt5.pdf>
CMS LCD for Oxygen: <https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=33797&ContrID=140>