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## PURPOSE

The purpose of this policy is to describe the health plan's process for the prior authorization (PA) decision-making conditions in which oxygen and oxygen supplies may be authorized according to the directives from state of Louisiana Medicaid.

## SCOPE

The scope of this policy applies to the Louisiana Prior Authorization staff and all colleagues processing Louisiana authorization requests for oxygen and oxygen supplies.

## POLICY

It is the policy of the Plan that specific state directives, in addition to MCG® criteria are used when processing authorization requests for oxygen and oxygen supplies. Louisiana state qualifications, authorization and documentation requirements must be met. Louisiana covers supplemental oxygen and oxygen supplies. This policy defines additional Louisiana state qualifications and authorization and documentation requirements.

## PROCEDURE

NA

## STANDARD

Coverage of oxygen and oxygen supplies requires prior authorization. All Providers (both facility and ordering physicians) must be registered in the state and the health plan's registry. The provider should be a preferred provider for the health plan.

### *Oxygen Concentrators*[1]

The member's attending physician or consulting physician that has personally examined the member at the request of the attending physician, must see the member within 30-60 days of prescribing oxygen therapy.

The initial request for oxygen concentrators must include a prescription which is signed and dated by the treating physician and include:

1. Oxygen flow rate

[1] 2025Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 21-22


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2. Frequency and duration of use
3. Estimated length of need and
4. Results of a current blood gas laboratory report done at rest and at room air (performed no more than 30 days prior to the prescription) from an appropriate facility giving the arterial blood gases (ABGs) and arterial saturation. However, oxygen saturation may be determined by pulse oximetry when ABGs cannot be taken.

The following diagnostic findings support the need for oxygen therapy:

Group I:

1. Current ABG with a PO2 at or below 55 mm Hg, or arterial oxygen saturation at or below 88 percent or below 88 percent, taken at rest, breathing room air;
2. Current ABG with a PO2 at or below 55 mm Hg, or an arterial oxygen saturation at or below 88 percent, taken during sleep; or if there is a significant drop during sleep of more than 10 mm Hg of the arterial P02, or a drop of more than 5 percent of the arterial oxygen saturation, and this drop is associated with symptoms or signs reasonably attributable to hypoxemia; and
3. Current ABG with a PO2 at or below 55 mm Hg, or an arterial oxygen saturation at or below 88 percent, taken during exercise for a member who demonstrates an arterial P02 at or above 56mm Hg, or an arterial saturation at or below 89 percent while awake at rest. In this case, supplemental oxygen is provided during the exercise if there is evidence that use of oxygen improves the hypoxemia experienced during exercise while breathing room air.

Group II:

1. Coverage is available for members whose current arterial PO2 is 56-59 mm hg or whose arterial blood oxygen saturation is 89 percent, if there is evidence of:
    a. Dependent edema suggesting congestive heart failure (CHF) (documentation from the physician must indicate the degree of edema and if it is associated with CHF);
    b. "P" pulmonale on a current electrocardiogram (EKG) (documentation from the physician must indicate if the AP@ wave on an EKG taken within the last 30 days was greater than 3 mm in standard leads II, III of AVF); or
    c. Erythrocythemia with a current hematocrit greater than 56 percent.

Group III:

Medicaid reimbursement will not be made for members with arterial P02 levels at or above 60 mm Hg, or arterial blood saturation at or above 90 percent.

Documentation of medical necessity, as well as the anticipated number of visits per month needed must be submitted by the member's treating physician with the prior authorization request. Portable systems will not be approved to be used on a standby basis only. Units will be


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authorized per month based on review of submitted medical justification. An example of justification for refills includes, but is not limited to, multiple weekly visits for radiation or chemotherapy.

For members under 21 years of age only, portable oxygen may be approved when needed for travel to and from school.

***Reimbursement for Oxygen Concentrators[2]***

Payment for an oxygen concentrator also includes the cost of providing all routine maintenance and servicing and monitoring the proper usage in the home by a respiratory therapist. At the time of the initial request for PA, the DME provider must describe a plan for routine checking and servicing of the machine and a plan for monitoring the proper usage in the home by a respiratory therapist as a prerequisite to authorization of purchase or rental of an oxygen concentrator from that provider.
Reimbursement will be the flat fee on file for the date of service.

***Portable Oxygen[3]***

Portable oxygen and oxygen equipment will be reimbursed for members who need continuous oxygen and require portable units while in route to a doctor's office, hospital, or medically necessary appointment. Oxygen equipment covered includes but is not limited to regulators, oxygen tubing, humidifiers and pulse oximeter machine and probes.

Documentation of medical necessity as well as the anticipated number of visits per month needed must be submitted by the member's treating physician with the prior authorization request. Portable systems will not be approved to be used on a standby basis only. Units will be authorized per month based on review of submitted medical justification. An example of justification for refills includes, but is not limited to, multiple weekly visits for radiation or chemotherapy.

Portable oxygen may be approved for members who require continuous oxygen and require portable units while enroute to a doctor's office, the hospital or other medically necessary appointment.[4] Members under twenty-one (21) years of age may also require multiple units of portable oxygen per month for travel to and from school.

In order to adhere to the CMS National Correct Coding Initiative (NCCI) edits, only one (1) unit per HCPCS for portable oxygen contents is allowed per claim line regardless of the date(s) of service. Multiple claim lines for the HCPCS for portable oxygen contents may be billed for the same dates of service.

***Portable Oxygen Concentrators[5]***

[2] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 22-23
[3] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 23
[4] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18.2 DME p. 3 of 4
[5] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 23-24


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Portable oxygen concentrators may be approved for members who meet the above criteria for portable oxygen; however, additional documentation is required. Documentation includes one or more of the below:

1. Member is:
    a. Under the age of 21 and less costly portable oxygen options for medical appointments, medical treatment, and travel to/from school will not suffice; or
    b. Over the age 21 or older and requires oxygen for out of state travel for medical appointments.
2. Portable oxygen needs exceed what can be provided via less costly portable oxygen equipment.

The member's treating physician must submit documentation of medical necessity, as well as the anticipated number of medical visits per month with the prior authorization request. If the member is under the age of 21, documentation of the mileage the member travels to/from school must be provided including the home and school address. Portable oxygen concentrators will not be approved to be used on a standby basis only.

### *Oxygen Probes*[6]

Prior authorization (PA) is required for coverage of supplies related to pulse oximeters include oxygen probes and tape. Probes and tape are included in the rate on file for pulse oximeter equipment rental. Coverage for oxygen probes and tape for purchased equipment have the following limitations:

1. Disposable oxygen probes are limited to four (4) per month;
2. Replacement oxygen probes are limited to one every six (6) months.
3. Oxygen probes and tape cannot be billed with pulse oximeter equipment in the same month of service.

NOTE: Billing of probes and equipment in the same month will result in denial.

The 'U5' modifier (oxygen probe for use with oximeter device, disposable) must be submitted with the PA request and claim for disposable pulse oximeter probes. Failure to submit the modifier with both will result in denial. A modifier should not be used when billing for a replacement oxygen probe.[7]

### *Provider Responsibilities*[8]

Rental Equipment:

1. Ensure and maintain documentation on file that the equipment is routinely serviced and maintained by qualified provider staff, as recommended by the product manufacturer;
2. Repair, or replace all expendable parts or items, such as masks, hoses, tubing and

[6] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 28
[7] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 28
[8] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 17


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connectors, and accessory items necessary for the effective and safe operation of the equipment;

3. Substitute like equipment at no additional cost to Medicaid if the equipment becomes broken because of normal use while the original rental equipment is being repaired;
4. Replace equipment that is beyond repair at no additional charge and maintain documentation of the replacement;
5. Maintain documentation that is signed and dated by both the provider and the member or member's responsible caregiver at the time of delivery, which attests to the fact that instruction has been provided by trained and qualified provider staff to the member or caregiver regarding the member's or caregiver's responsibility for cleaning the equipment and performing the general maintenance on the equipment, as recommended by the manufacturer; and
6. Maintain documentation that is signed and dated by both the provider and the member or b member's responsible caregiver, which attests that the member or the caregiver was provided with the manufacturer instructions, servicing manuals, and operating guides needed for the routine service and operation of the specific type or model of equipment provided.

***Purchase vs Rental***

If the equipment is temporarily needed, it may be more cost effective for the equipment to be rented. Consideration for the length of need for the equipment, total rental cost for the needed time frame and the purchase of the item will be given. Equipment will be purchased, not rented, if the total cost for rental exceeds the purchase price. [9]

Reimbursement may be based on equipment's rental or purchase price.[10]

***Non-Covered Services[11]***

Precautionary-type equipment not covered include but not limited to:

- Power generators
- Backup oxygen equipment
- Reimbursement for delivery or delivery mileage of medical supplies

## APPLICABLE HCPCS CODES

This policy applies the additional definitions, qualifications, criteria and documentation requirements to the procedure codes listed below. Listing of a code in this policy does not imply that the service described by the code is a covered or non-covered health service. Benefit coverage for health services is determined by federal, state, or contractual requirements and

[9] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 15
[10] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 24
[11] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18 DME p. 59


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applicable laws that may require coverage for a specific service. The inclusion of a code does not imply any right to reimbursement or guarantee claim payment. Other Policies and Guidelines may apply.

| HCPCS | Description |
|---|---|
| A4606 | Oxygen probe for use with oximeter device, replacement |
| A4608 | Transtracheal oxygen catheter, each |
| A4616 | Tubing (oxygen), per foot |
| E0430 | Portable gaseous oxygen system, purchase; includes regulator, flowmeter, humidifier, cannula or mask, and tubing |
| E0431 | Portable gaseous oxygen system, rental; includes portable container, regulator, flowmeter, humidifier, cannula or mask, and tubing |
| E0433 | Portable liquid oxygen system, rental; home liquefier used to fill portable liquid oxygen containers, includes portable containers, regulator, flowmeter, humidifier, cannula or mask and tubing, with or without supply reservoir and contents gauge |
| E0434 | Portable liquid oxygen system, rental; includes portable container, supply reservoir, humidifier, flowmeter, refill adaptor, contents gauge, cannula or mask, and tubing |
| E0435 | Portable liquid oxygen system, purchase; includes portable container, supply reservoir, flowmeter, humidifier, contents gauge, cannula or mask, tubing and refill adaptor |
| E0439 | Stationary liquid oxygen system, rental; includes container, contents, regulator, flowmeter, humidifier, nebulizer, cannula or mask, & tubing |
| E0440 | Stationary liquid oxygen system, purchase; includes use of reservoir, contents indicator, regulator, flowmeter, humidifier, nebulizer, cannula or mask, and tubing |
| E0441 | Stationary oxygen contents, gaseous, 1 month's supply = 1 unit |
| E0442 | Stationary oxygen contents, liquid, 1 month's supply = 1 unit |
| E0443 | Portable oxygen contents, gaseous, 1 month's supply = 1 unit |
| E0444 | Portable oxygen contents, liquid, 1 month's supply = 1 unit |
| E0445 | Oximeter device for measuring blood oxygen levels noninvasively |
| E0446 | Topical oxygen delivery system, not otherwise specified, includes all supplies and accessories |
| E0447 | Portable oxygen contents, liquid, 1 month's supply = 1-unit, prescribed amount at rest or nighttime exceeds 4 liters per minute (LPM) |
| E0455 | Oxygen tent, excluding croup or pediatric tents |


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| | |
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| E1352 | Oxygen accessory, flow regulator capable of positive inspiratory pressure |
| E1353 | Regulator |
| E1354 | Oxygen accessory, wheeled cart for portable cylinder or portable concentrator, any type, replacement only, each |
| E1355 | Stand/rack |
| E1356 | Oxygen accessory, battery pack/cartridge for portable concentrator, any type, replacement only, each |
| E1357 | Oxygen accessory, battery charger for portable concentrator, any type, replacement only, each |
| E1358 | Oxygen accessory, DC power adapter for portable concentrator, any type, replacement only, each |
| E1390 | Oxygen concentrator, single delivery port, capable of delivering 85 percent or greater oxygen concentration at the prescribed flow rate |
| E1391 | Oxygen concentrator, dual delivery port, capable of delivering 85 percent or greater oxygen concentration at the prescribed flow rate, each |
| E1392 | Portable oxygen concentrator, rental |
| E1399 | Durable medical equipment, miscellaneous |
| E1405 | Oxygen and water vapor enriching system with heated delivery |
| E1406 | Oxygen and water vapor enriching system without heated delivery |
| K0738 | Portable gaseous oxygen system, rental; home compressor used to fill portable oxygen cylinders; includes portable containers, regulator, flowmeter, humidifier, cannula or mask, and tubing |
| K0741 | Portable gaseous oxygen system, rental, includes portable container, regulator, flowmeter, humidifier, cannula or mask, and tubing, for cluster headaches |

**DEFINITIONS:**

1. **Arterial Blood Gas (ABG):** Test measuring the amount of oxygen, carbon dioxide, and acidity in a blood sample.[12]
2. **Durable Medical Equipment (DME):** Durable medical equipment is furnished by a supplier or a home health agency and is equipment that meets the following criteria: 1. Can withstand repeated use; 2. Is used to serve a medical purpose; 3. Generally is not useful to a member in the absence of an illness or injury; and 4. Is appropriate for use in the home[13]
3. **Hypoxemia:** Deficient oxygenation of the blood[14]

[12] https://medlineplus.gov/lab-tests/arterial-blood-gas-abg-test/
[13] 2025 Louisiana Medicaid Department of Health Provider Manual Chapter 18.2 DME p. 29
[14] https://www.merriam-webster.com/dictionary/hypoxemia


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4. **MCG ®:** A set of nationally standardized criteria used to make medical necessity determinations for authorization requests.
5. **Medical Supplies:** Health care related items that are consumable or disposable or cannot withstand repeated use by more than one individual, which are required to address an individual medical disability, illness, or injury.
6. **Partial Pressure of Oxygen (PO2):** The amount of oxygen gas dissolved in the blood, measuring the effectiveness of the lungs in pulling oxygen into the bloodstream.
7. **Prior Authorization (PA):** Approval from the health plan that is required before receiving a service in order for the service to be covered.
8. **Pulse Oximeter:** A machine that measures blood oxygen levels noninvasively.

## REVIEW AND REVISION HISTORY

| Date | Revision No. | Reason for Change | Sections Affected |
|---|---|---|---|
| 03/06/25 | 1.00 | New Document | N/A |
| 02/02/26 | 2.0 | Annual Review | |

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