

## Insurance: DME Coding

### INTRODUCTION

Each year, in the United States, health care insurers process over 5 billion claims for payment. For Medicare and other health insurance programs to ensure that these claims are processed in an orderly and consistent manner, standardized coding systems are essential. The HCPCS Level II Code Set is one of the standard code sets used for this purpose.

Level II of the HCPCS is a standardized coding system that is used primarily to identify products, supplies, and services not included in the CPT codes, such as ambulance services and durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) when used outside a physician's office. Because Medicare and other insurers cover a variety of services, supplies, and equipment that are not identified by CPT codes, the level II HCPCS codes were established for submitting claims for these items. The development and use of level II of the HCPCS began in the 1980's. Level II codes are also referred to as alpha-numeric codes because they consist of a single alphabetical letter followed by 4 numeric digits, while CPT codes are identified using 5 numeric digits.

### WHICH DME CODE TO USE FOR THE LUNG FLUTE?

#### E0484

The Lung Flute for Home Care is covered by DME (Durable Medical Equipment) E0484 for Medicare and Medicaid reimbursement. Under this code, patients will be reimbursed up to two times per calendar year for purchases of the Lung Flute for Home Care. The current average DME reimbursement rate for the various CMS (Center for Medicare & Medicaid Service) regions is \$38.73 USD with adjustments made annually.

CMS will reimburse 80% of the amount (= \$30.98) –the beneficiary is responsible for the 20% difference.

### WHAT IS THE LUNG FLUTE?

- The Lung Flute is a hand-held disposable device that can be used as an aid to inducing high quality sputum samples for diagnostic purposes.
- The Lung Flute represents a technological advance over other mucus clearing PEP devices.
- The Lung Flute uses sound pressure and acoustics to couple with the lungs. The amorphous nature of sound energy penetrates in the human lungs thus more effectively mobilizing lung secretions.
- The simple design of the Lung Flute makes it economical for diagnostic applications.