



The Supplemental Oxygen Guide

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Q&A for Every Supplemental Oxygen User

My doctor has just prescribed the use of supplemental oxygen. What do I need to do?

Talk with your doctor. Ask what type of delivery system is best for you. Talk about your needs not only at home, but also what you need when you're exercising or otherwise exerting yourself. Your doctor will provide a certificate of medical necessity, saying that you require supplemental oxygen. Make sure this certificate of medical necessity includes **exactly** what your doctor told you that you need.

Next, find an oxygen supplier that can provide what is in the certificate of medical necessity. Know that **your oxygen supplier is not your doctor** and cannot make decisions about the type of equipment you require. Only you and your doctor may do this!

Once you have your equipment, you cannot, in most cases, change the type of equipment or type of delivery system for a term of five (5) years. This is why it's important to choose the type of equipment and delivery system that will work best for your lifestyle! Note: If your oxygen requirements change or your doctor feels you require different equipment or delivery system, your certificate of medical necessity should be changed. With a new certificate of medical necessity your oxygen supplier must provide equipment that fits that need.

What are the different types of oxygen and delivery systems?

There are two main types of supplemental oxygen, also called "modalities:" gaseous and liquid. These systems work differently. There are pros and cons with each system.

In the past, many oxygen users were given both a home concentrator (for use while at home) and an "E" tank (for going out). One problem with this arrangement was that a user had to pull the tank on a cart when going outside their home. Inside the home a user could move only as far as the tubing would go.

A newer type of oxygen system is the "trans-fill" unit. In this system gaseous oxygen can be produced in the home by a concentrator and stored in a refillable tank. These "M" tanks are small and light. They can be easily carried in a shoulder case. The length



of time these smaller tanks last varies on your liter flow and the pressure with which the tanks are filled. Note: some trans-fill units will fill at 2000 psi (pounds per square inch) while others fill at 3000 psi. The higher pressure provides more capacity. This system helps you move around easier outside and inside your home. You don't have to rely on the home care supplier to replace tanks when you need them. This type of system puts you in control of filling your own tanks for increased mobility. The entire system can be moved if you need to leave your home for extended periods like relocating to a summer home.

The other modality is liquid oxygen, a popular option with high liter flow users. In this system the oxygen is stored in liquid form in a home reservoir which must be filled on a regular basis. You can use the reservoir to fill smaller containers. These smaller oxygen containers offer longer use times even at high liter flows. The other advantage of this system is that it does not depend on electricity like a home concentrator. This means that oxygen use will not add to your utility bills and you will continue to have oxygen if the power goes out.

The main disadvantage of liquid oxygen is that the reservoir is not portable with travel (unless your oxygen provider allows you the use of a travel reservoir). You must make arrangements to have a different reservoir in place at your destination.

In some areas it is very difficult to obtain liquid oxygen. Check with suppliers in your area before deciding on liquid oxygen to make sure it is available. Be sure to discuss all of these options with your doctor!

How does Medicare pay for supplemental oxygen?

A recent change in Medicare as a result of the new competitive bidding sets new rules and regulations as to how your oxygen provider is paid.

If you have Medicare and use oxygen you will have a five-year contract with Medicare and your home oxygen supplier. The contract begins the first month the oxygen supplier bills Medicare for your oxygen. In the first 36 months of the contract the oxygen supplier is paid for rental of the equipment. In the last 24 months of the contract the oxygen supplier is paid only for providing refilled tanks, hoses and other supplies. The oxygen supplier is responsible for maintaining and repairing the equipment for the entire length of the contract.

Medicare pays 80% of the charges billed by the oxygen supplier and you are responsible for the remaining amount. A supplemental plan provider plan may offset or cover this 20% difference, so check with your supplemental plan provider.



After the five-year contract ends, who owns the equipment?

It used to be that the oxygen user would own the equipment at the end of the five-year period. Now, the oxygen supplier owns the equipment throughout, and after the five-year period.

Do I still get replacement oxygen equipment accessories such as regulators, filters, masks and tubing after the first 36 months?

Your oxygen supplier must keep on supplying replacement accessories for the rest of your five year contract. Your supplier is also required to service and repair your equipment at no charge. During this time, the oxygen supplier will bill Medicare for these supplies and tank refills.

What are the pros and cons of the five year contract?

The pros of the five-year contract are:

- Your oxygen supplier cannot drop you, change your equipment or delivery system without approval from you and your doctor.
- After the first 36 months, your billing will be lower for the remaining 24 months.

The cons of the five year contract are:

- It is hard to make any “non-necessity” changes to your equipment – things you want, but don’t medically need.
- If you decide to change to another oxygen supplier, depending on where you are in your contract, it may be difficult to find another supplier. Many new suppliers will not accept a patient late in their contract period. This is because the supplier might not get paid for the equipment they would have to give you.

Is the oxygen supplier allowed to provide me with used or reconditioned equipment?

YES. According to a clarification of the latest CMS rules dated Spring 2015, the useful lifetime of a concentrator begins when the equipment is delivered to you, and is not the age of the equipment. The equipment is required to be serviceable and in good working order. The hour meter of a concentrator does not determine the proper



operation of oxygen equipment. It is important for you to understand three factors that determine proper operation.

1. The oxygen purity should be measured by a technician at regular service intervals and produce 85% or greater oxygen purity on the maximum setting.
2. The outlet pressure should be within specification according to the manufacturer. A technician will be able to measure and determine this value.
3. The oxygen delivered from the machine should be odorless.

Often times, the equipment has built in safety devices and alarms to notify you that something is wrong. Please report any alarms to your oxygen supplier and request a service check to determine if the equipment is operating properly.

What happens if the equipment I have is no longer effective for me?

If your doctor decides that your oxygen equipment can no longer provide what you need, he/she may notify the oxygen supplier with a new letter of medical necessity for different equipment. The oxygen supplier must provide you with new equipment. In this case, your contract period does not change even after the 36 month period.

What happens when my contract period ends?

When your five-year contract is about to run out, your oxygen supplier is required to let you know. Your doctor will then need to provide a new letter of medical necessity. This may include an updated evaluation of your oxygen needs. This is the perfect time to talk with your doctor about other types of oxygen systems that might work better for you. You should NEVER enter into a new contract period without first consulting the doctor who writes orders for your oxygen! Also, if for any reason you are not satisfied with your oxygen supplier, now is the time to change to a new supplier.

When beginning a new contract, your oxygen supplier must provide new equipment specified by your doctor in the new letter of medical necessity. Even though your contract period is ending, it is assumed that you are planning to implement a new 5 year contract through your contracted supplier. If they no longer wish to handle your contract, they must help you find another supplier. If they are unable to do this, they must continue to provide your services.

If your oxygen supplier renews your contract based on your request to keep the existing equipment in place, this may lower your payment of the 20% billable services,



but the supplier will not be able to bill Medicare for rental on your old equipment. If you agree to receive new equipment the oxygen provider will start a new five-year contract with Medicare.

Can my oxygen supplier decide to change the terms of my contract regarding my equipment or the number of tanks I get each month?

NO. They may not change the type of equipment (modality) or number of tank refills you receive unless ordered by your doctor and approved by you. The Medicare CMS Supplier Handbook states: “Suppliers must provide whatever quantity of oxygen contents are needed for a beneficiary’s activities both inside and outside the home.”

Once your oxygen supplier starts to bill Medicare, they must fulfill the contract for the entire five years. If you find the need for more tank refills, your doctor simply has to submit an updated letter of medical necessity. The oxygen supplier must comply.

If your oxygen supplier tries to change the number of tank refills you get, consider filing a Medicare complaint by calling the COPD Information Line at 866-316-2673.

What happens if my oxygen supplier goes out of business during the time of my contract?

According to the Medicare CMS Supplier Handbook:

“Suppliers voluntarily exiting the Medicare program are reminded that they are in violation of their regulatory and statutory obligations. Section 1834(a)(5)(F)(ii)(I) requires that the supplier that received the 36th month rental payment continue furnishing the oxygen equipment during any period of medical need for the remainder of the equipment’s reasonable useful lifetime.

Further, 42 CFR 414.226(g)(1) requires, barring a few exceptions, that the supplier that furnishes oxygen equipment in the first month during which payment is made must continue to furnish the equipment for the entire 36-month period of continuous use, unless medical necessity ends.

Suppliers leaving the program must give you a ninety-day notice, in writing, that they can no longer provide oxygen therapy services. This notice must be in one of two forms:

1. A letter to the patient notifying them of the supplier’s intent to stop oxygen therapy services. The letter must specify a date upon which this will occur.



2. A letter to a new supplier chosen by the patient, transferring the responsibility for oxygen therapy services to the new supplier on a specific date.

In the case of number one above, work with your supplier to find a new oxygen supplier in your area and request that they send a letter to the new supplier on your behalf. This will ensure no interruption in service and a transfer of your medical records to the new supplier within that 90 day period.

I use liquid oxygen and my oxygen supplier just told me that they will no longer be providing liquid. What are my rights?

Medicare regulations state:

“Providing different oxygen equipment/modalities (e.g., concentrator [stationary or portable], gaseous, liquid, trans-filling equipment) is not permitted unless one of the following requirements is met:

- Supplier replaces the equipment with the same or equivalent item
- Physician orders different equipment
- Patient chooses to receive an upgrade and signs an Advance Beneficiary Notice of Non-coverage (ABN)”

Since liquid oxygen is very different from compressed or gaseous oxygen, the supplier cannot provide a “same or equivalent” system when changing modalities. Changing from one brand of liquid system to another is considered “same or equivalent.”

The Medicare CMS Handbook also states: “The supplier must have a prescription and/or CMN (certificate of medical necessity) to change modalities.”

If you are told that your oxygen supplier will no longer provide your prescribed therapy (liquid) and you have NOT completed your five-year contract, you should do the following:

1. **Do not** allow any removal of equipment from your home.
2. **Refuse** any unfair changes of equipment or coverage by providing the supplier with a written notice of refusal and requesting that they provide you with documentation of their proposed changes. You will need this information to file a complaint with Medicare.



3. **Contact** your physician to inform him/her of the situation and ensure that he/she has sent the most recent letter of medical necessity to your supplier.
4. **File** a Medicare complaint through 1-800-MEDICARE (633-4227). A Medicare representative can put you in contact with the Competitive Acquisition Ombudsman (CAO) if problems persist.
5. **Involve** the local media if your supplier continues to break the rules. Contact Angelia at MediaAction@PHAssociation.org for assistance.
6. **File** an Americans with Disabilities Act Complaint at www.ada.gov/filing_complaint.htm

If your oxygen provider states they are no longer providing the specific equipment/modality you are prescribed, your oxygen provider must find another contractor that does provide what you require, and if unable, they must continue to provide those services.

If I move to a new area on a permanent basis or on a temporary or seasonal basis during my rental period, does my supplier have to continue providing the oxygen and oxygen equipment?

YES. Your supplier must continue to provide prescribed services to you either directly or by contracting with another supplier for the remainder of your contract period. If your new home is outside the area covered by your supplier, they must make arrangements for a supplier who will be able to take care of your oxygen needs where you are. You do not have to pay any additional money to the new supplier.

My oxygen equipment does not allow me to move around like I want inside and/or outside my home. What should I do?

The certificate of medical necessity from your doctor should address your mobility needs both inside and outside your home. Your oxygen supplier is required to supply the items you need for such mobility. Talk with your doctor about your concerns and request a new letter of medical necessity that details your needs.

Will Medicare pay for a portable oxygen concentrator?

Medicare will pay for your main source of oxygen. Your oxygen supplier is allowed to bill only for this main source. If, at the beginning of your contract, you say that a portable concentrator would be your primary source of oxygen, Medicare might pay for it, but



then you would be responsible to pay for any other equipment such as a home concentrator.

I have been told by my oxygen supplier that they will no longer provide me with my usual number of tank refills, and if I want more than they are willing to give me I must pick them up myself. Is this allowable?

NO. Your oxygen supplier may not reduce the number of tank refills they have delivered in the past or the type of tanks prescribed for you, and they may not make you pick up your own tanks. The type and amount of equipment they deliver at the start of your contract must be the same throughout the five-year contract. If you have this situation you should file a Medicare complaint right away by calling the COPD Information Line at (866) 316-2673.

My oxygen provider no longer supplies me with enough cannulas. What should I do?

Your oxygen supplier must furnish you with supplies to take care of your needs for safe and healthy oxygen therapy. Write a letter to your oxygen supplier saying why you feel that they are not giving you all the supplies you need (keep a copy of this letter). If they don't fix this issue right away, you should file a Medicare complaint by calling the COPD Information Line at (866) 316-2673.

My equipment continually breaks down. Can I get it replaced?

YES. Your oxygen supplier is responsible for providing you with working equipment, and is required to make repairs. Call your oxygen supplier and tell them that you feel your equipment is unsafe. If a piece of equipment is determined to be unrepairable, your oxygen supplier may replace the equipment, or in some cases Medicare may allow a new contract to start under the "lost or unrepairable" clause. The oxygen supplier cannot change the modality under these terms. They must use the same or equivalent equipment.

Do I have a say on what brand of equipment I receive?

Some brands of concentrators run quieter, produce less heat, or use less electricity than others. Oxygen concentrators can be very expensive to run and the cost of



electricity is not covered under Medicare reimbursement. Your oxygen supplier may have a purchase agreement with a certain company in order to get lower pricing. That does not mean you can't request particular equipment! This is when it pays to do your homework. Ask other oxygen users about their equipment. Ask about reliability, noise level, cost of running it, and if it produces a lot of heat. However, they are also not obligated to go out and buy a brand of equipment that you request. Your choice is still dependent on their current inventory.

Will Medicare pay for the cost of electricity my equipment uses?

Medicare will not pay for any utility bills as a result of the use of your oxygen equipment. In some cases, the direct costs of operating your oxygen equipment are deductible as a medical expense. Some utilities have programs to help lessen this cost. Check with your electricity provider. The COPD Foundation Disaster Preparedness Plan also includes these forms.

How do I determine the operating costs of my oxygen equipment?

Here is how you do it, step by step.

- 1) The label on your concentrator shows the volts and amps used. Multiply the volts by the amps.

For instance: 115 volts at 6 amps = 690 watts.

- 2) Multiply the watts by .001 to obtain kilowatt hours.

$690 \times .001 = .69 \text{ KWH}$

- 3) Multiply KWH by the number of hours per year that you use your concentrator. For instance, if you use it 24 hours a day, that equals 8,760 hours per year.

$.69 \text{ KWH} \times 8,760 = 6,044$

- 4) Find the cost of electricity per kilowatt from your power company. For example, 12 cents.

$6,044 \times .12 = \$752.28 \text{ cost per year}$



If I decide to fly, will my oxygen supplier be required to provide me with a portable oxygen concentrator?

NO. Your oxygen supplier is not required to furnish you with an airline-approved portable oxygen concentrator and Medicare will not pay for any oxygen related to air travel. Your oxygen supplier is required to provide you with oxygen at your destination. You might be able to rent a portable oxygen concentrator from your oxygen supplier. Rentals are also available through online companies where they work with most airlines and provide the documentation required for your travel.

The COPD Foundation is making every effort to ensure continued delivery of oxygen therapy to all individuals with COPD. We are providing information such as this guide and working with legislative leaders to address problems with the new competitive bidding law. In order for our efforts to become successful it is vital that our community and **you** become involved. Share your experiences, file a complaint when your oxygen therapy is disrupted and contact your elected representatives.

To learn more about these new Medicare rules or to file a complaint, please call the C.O.P.D. Information Line at 1-866-316-COPD (2673).