CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 4014	**Date: March 30, 2018**
	Change Request 10158

Transmittal 3895, dated October 27, 2017, is being rescinded and replaced by Transmittal 4014 dated, March 30, 2018 to add business requirement 10158.17. All other information remains the same.

NOTE: This Transmittal is no longer sensitive and is being re-communicated February 13, 2018. The Transmittal Number, date of Transmittal and all other information remains the same. This instruction may now be posted to the Internet.

SUBJECT: Revised and New Modifiers for Oxygen Flow Rate

I. SUMMARY OF CHANGES: This Change Request (CR) revises and introduces new pricing modifiers for oxygen flow rate and will also revise the CWF edit and allow the shared system to resume sending the modifier on the claim to the CWF and allow contractor entry to the oxygen flow rate in the shared system.

EFFECTIVE DATE: April 1, 2018
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: April 2, 2018

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)
R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	20/130/130.6/ Billing for Oxygen and Oxygen Equipment

III. FUNDING:
For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Business Requirements
Manual Instruction

Attachment - Business Requirements

Pub. 100-04	Transmittal: 4014	Date: March 30, 2018	Change Request: 10158

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SUBJECT: Revised and New Modifiers for Oxygen Flow Rate

EFFECTIVE DATE: April 1, 2018
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: April 2, 2018

I. GENERAL INFORMATION

A. Background: Medicare pays a monthly fee schedule amount for oxygen and oxygen equipment per beneficiary. For stationary oxygen equipment, this monthly fee schedule amount covers the oxygen equipment, contents and supplies and is subject to adjustment depending on the amount of oxygen prescribed (liters per minute (LPM)) and whether or not portable oxygen is also prescribed. The regulations at 42 CFR 414.226(e), and section 30.6.1 of Chapter 20 of the Medicare Claims Processing Manual include the following payment rules regarding adjustments to the monthly payment amounts for oxygen and oxygen equipment based on the patient's prescribed oxygen flow rate:

If the prescribed amount of oxygen is less than 1 liter per minute, the fee schedule amount for stationary oxygen rental is reduced by 50 percent.

The fee schedule amount for stationary oxygen equipment is increased under the following conditions. If both conditions apply, contractors use the higher of either of the following add-ons. Contractors may not pay both add-ons:

a. Volume Adjustment - If the prescribed amount of oxygen for stationary equipment exceeds 4 liters per minute, the fee schedule amount for stationary oxygen rental is increased by 50 percent. If the prescribed liter flow for stationary oxygen is different than for portable or different for rest and exercise, contractors use the prescribed amount for stationary systems and for patients at rest. If the prescribed liter flow is different for day and night use, contractors use the average of the two rates.

b. Portable Add-on - If portable oxygen is prescribed, the fee schedule amount for portable equipment is added to the fee schedule amount for stationary oxygen rental.

Section 240.2.B of Chapter 1, Part 4 of the Medicare National Coverage Determinations manual indicates that a member of the contractor's medical staff should review all claims with oxygen flow rates of more than four liters per minute before payment can be made.

Section 130.6 of Chapter 20 of the Medicare Claims Processing manual describes the claims processing modifiers used to denote these adjustments:

- If the prescribed amount of oxygen is less than 1 LPM, suppliers use the modifier "QE"; HHAs use revenue code 0602. The monthly payment amount for stationary oxygen is reduced by 50 percent.

- If the prescribed amount of oxygen is greater than 4 LPM, suppliers use the modifier "QG"; HHAs use revenue code 0603. The monthly payment amount for stationary oxygen is increased by 50 percent.

- If the prescribed amount of oxygen exceeds 4LPM and portable oxygen is prescribed, suppliers use the modifier "QF"; HHAs use revenue code 0604. The monthly payment for stationary oxygen is increased by the higher of 50 percent of the monthly stationary oxygen payment amount, or the fee schedule amount for the portable oxygen add-on. (A separate monthly payment is not allowed for the portable equipment if the stationary oxygen fee schedule amount is increased by 50 percent) Effective April 1, 2017, the modifier "QF" must be used with both the stationary and portable oxygen equipment codes.

In addition, Transmittal 3730, change request (CR) 9848 issued on March 3, 2017 titled "Payment for Oxygen Volume Adjustments and Portable Oxygen Equipment" provided instructions for Medicare contractors processing claims for payment of oxygen and oxygen equipment under the Medicare Part B benefit for durable medical equipment. Contractors identified an error during the testing of CR 9848 when processing claims for portable oxygen equipment with the QF modifier and the modifier was not reported on the Certificate of Medical Necessity (CMN). The Common Working File (CWF) has an existing edit (D908) that is returned to the shared system when the claim contains a QF modifier but the CMN on file does not have the QF modifier. Since the QF modifier for portable oxygen equipment is needed for payment purposes only and the CMN is not being updated to include the reporting of the QF modifier a temporary solution was implemented to prevent the QF modifier from being sent from the shared system to the CWF. This instruction will revise the CWF edit and allow the shared system to resume sending the modifier on the claim to the CWF and allow contractor entry to the oxygen flow rate in the shared system.

B. Policy: CMS has become aware that a need exists to provide greater specificity in the modifiers used for oxygen volume adjustments in instances where there are varying prescribed flow rates as described in regulations at 42 CFR 414.226(e)(3). Therefore, to assist in identifying the prescribed flow rate on the claim form, and to ensure appropriate use of modifiers in all cases based on the prescribed flow rate at rest (or at night or based on the average of the rate at rest and at night if applicable) in accordance with Federal regulations, the following three new pricing modifiers are added to the HCPCS file effective April 1, 2018:

QA Prescribed amounts of stationary oxygen for daytime use while at rest and nighttime use differ and the average of the two amounts is less that 1 liter per minute (LPM)

QB Prescribed amounts of stationary oxygen for daytime used while at rest and nighttime use differ and the average of the two amounts exceeds 4 liters per minute (LPM) and portable oxygen is prescribed

QR Prescribed amounts of stationary oxygen for daytime use while at rest and nighttime use differ and the average of the two amounts is greater than 4 liters per minute (LPM)

Additionally, the existing QE, QF, and QG modifiers are revised to clarify that the prescribed flow rate at rest is used in accordance with regulations at 42 CFR 414.226(e)(3). This section instructs that if the

prescribed flow rate is different for the patient at rest than for the patient at exercise, the flow rate for the patient at rest is used. Effective April 1, 2018, the modifiers are revised to read:

QE Prescribed amount of stationary oxygen while at rest is less than 1 liter per minute (LPM)

QF Prescribed amount of stationary oxygen while at rest exceeds 4 liters per minute (LPM) and portable oxygen is prescribed

QG Prescribed amount of stationary oxygen while at rest is greater than 4 liters per minute (LPM)

Beginning April 1, 2018, claims for monthly oxygen volume adjustments must indicate the appropriate HCPCS modifier described below as applicable. Oxygen fee schedule amounts are adjusted as follows:

If the prescribed amount of oxygen is less than 1 LPM, suppliers use either of the following modifiers with the stationary oxygen HCPCS code:

- The modifier “QE”; HHAs use revenue code 0602. The monthly payment amount for stationary oxygen is reduced by 50 percent.
- The modifier “QA”; The monthly payment amount for stationary oxygen is reduced by 50 percent. This modifier is used when the prescribed flow rate is different for nighttime use and daytime use and the average of the two flow rates is used in determining the volume adjustment.

If the prescribed amount of oxygen is greater than 4 LPM, suppliers use either of the following modifiers with the stationary oxygen HCPCS code:

- The modifier “QG”; HHAs use revenue code 0603. The monthly payment amount for stationary oxygen is increased by 50 percent.
- The modifier “QR”; HHAs use revenue code 0603. The monthly payment amount for stationary oxygen is increased by 50 percent.

If the prescribed amount of oxygen is greater than 4 LPM and portable oxygen is prescribed, suppliers use either of the following modifiers with both the stationary and portable oxygen HCPCS code:

- The modifier “QF”; HHAs use revenue code 0604. If the prescribed flow rate differs between stationary and portable oxygen equipment, the flow rate for the stationary equipment is used. The monthly payment for stationary oxygen is increased by the higher of 50 percent of the monthly stationary oxygen payment amount, or the fee schedule amount for the portable oxygen add-on. A separate monthly payment is not allowed for the portable equipment if the stationary oxygen fee schedule amount is increased by 50 percent. Effective April 1, 2017, the modifier “QF” must be used with both the stationary and portable oxygen equipment codes.

- The modifier “QB”; HHAs use revenue code 0604. If the prescribed flow rate differs between stationary and portable oxygen equipment, the flow rate for the stationary equipment is used. The monthly payment for stationary oxygen is increased by the higher of 50 percent of the monthly stationary payment amount, or the fee schedule amount for the portable oxygen add-on. A separate monthly payment is not allowed for the portable equipment if the stationary oxygen fee schedule amount is increased by 50 percent. Effective April 1, 2018, the modifier “QB” must be used with both the stationary and portable oxygen equipment codes. The stationary and portable oxygen equipment QB fee schedule amounts will be added to the DMEPOS fee schedule file effective April 1,2018.

The stationary oxygen QF and QB fee schedule amounts on the DMEPOS fee schedule file represent 100 percent of the stationary oxygen allowed fee schedule amount. The portable oxygen equipment add-on QF and QB fee schedule amount on the file by state represent the higher of:

1. 50 percent of the monthly stationary oxygen payment amount (codes E0424, E0439, E1390 or E1391); or

2. The fee schedule amount for the portable oxygen add-on (codes E0431, E0433, E0434, E1392 or K0738).

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME	Shared-System Maintainers				Other
		A	B	HHH	MAC	FISS	MCS	VMS	CWF	
10158.1	Contractors shall recognize and accept claims for oxygen reported with the new modifiers QA, QB and QR.				X			X		
10158.2	Contractors shall apply all edits associated with: • QE modifier to QA modifier • QF modifier to QB modifier • QG modifier to QR modifier				X			X	X	
10158.3	Contractors shall identify and update the existing edits for oxygen flow rate to recognize the revised language for QE, QF and QG modifiers.				X			X		

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
10158.4	For claims billing for oxygen with either the QF modifier or the new QB modifier contractors shall pay using fees associated with the modifier on the fee schedule.				X			X		
10158.5	For claims where the prescribed amount of oxygen is less than 1 liter per minute, contractors shall make payment for the stationary oxygen equipment code (E0424, E0439, E1390or E1391), billed with the QE modifier at 50 percent of the monthly stationary oxygen payment amount when the prescribed amount of stationary oxygen while at rest is less than 1 liter per minute (LPM)				X			X		
10158.6	Contractors shall pay claims reporting stationary oxygen equipment codes E0424, E0439, E1390 or E1391 billed with the QA modifier at 50 percent of the monthly stationary oxygen payment amount when the prescribed amounts of stationary oxygen for daytime use while at rest and nighttime use differ and the average of the two amounts is less than 1 liter per minute (LPM).				X			X		
10158.7	Contractors shall pay claims reporting stationary oxygen equipment codes E0424, E0439, E1390 or E1391 billed with the QG modifier by increasing the monthly stationary oxygen payment amount by 50 percent when the prescribed amount of stationary oxygen while at rest is greater than 4 liters per minute (LPM).				X			X		
10158.8	Contractors shall pay claims reporting stationary oxygen equipment codes E0424, E0439, E1390 or E1391 billed with the QR modifier by increasing the monthly stationary oxygen payment amount by 50 percent when the prescribed amounts of stationary oxygen for daytime use while at rest and nighttime use differ and the average of the two amounts is greater than 4 liters per minute (LPM).				X			X		
10158.9	Contractors shall pay claims reporting the portable oxygen codes E0431, E0433, E0434, E1392 or K0738 billed with the QB modifier, at the higher of 50 percent of the monthly stationary oxygen payment amount or the fee schedule amount for the portable oxygen add-on. This amount will be denoted on the				X			X		

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	DMEPOS fee schedule file under the portable oxygen code associated with the QB modifier.									
10158.10	Contractors shall instruct suppliers to submit the QB modifier on both the portable oxygen HCPCS code (codes E0431, E0433, E0434, E1392 or K0738) and the stationary oxygen HCPCS code (E0424, E0439, E1390 or E1391) when: • portable oxygen is prescribed and • the prescribed amounts of stationary oxygen for daytime at rest use and nighttime use differ and the average of the two amounts exceeds 4 liters per minute (LPM)				X					
10158.11	The contractors shall update the system to accept and process the QF and QB modifier on the CBIC HCPCS file.				X			X		
10158.12	Contractors shall bypass the 6054 edit when the modifier on the claim is different than the value in the CMN flow rate field on the Certificate of Medical Necessity (CMN).							X		
10158.13	Contractors shall use the modifiers and existing differences in oxygen flow rates/associated payments and NCD instructions, and prioritize such claims for medical review based on vulnerability analysis and workload considerations.				X					
10158.14	The shared system maintainer shall continue to send the QF modifier to CWF.							X		
10158.15	CWF shall create a user controlled bypass for the edit error D908.								X	
10158.16	Contractors shall bypass the D908 edit for portable oxygen equipment billing with the Q modifiers.				X			X		
10158.17	CWF shall remove logic for modifier QR for Edit 5232 to no longer bypass and edit 5270 to no longer set for Dates of Service on or after 04/01/2018.								X	

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
10158.18	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.				X	

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
	N/A

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Bobbett Plummer, 410-786-3321 or bobbett.plummer@cms.hhs.gov (For claims processing questions) , Karen Jacobs, 410-786-2173 or karen.jacobs@cms.hhs.gov (For policy questions)

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):
The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0

Medicare Claims Processing Manual
Chapter 20 - Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)
(Rev.4014, Issued: 03-30-18)

130.6 - Billing for Oxygen and Oxygen Equipment
(Rev.4014, Issued: 03-30-18, Effective: 04-01-18, Implementation: 04-02-18)

The following instructions apply to all claims from providers and suppliers to whom payment may be made for oxygen. The chart in §130.6.1 indicates what is payable under which situation.

A. Monthly Billing

Fee schedule payments for stationary oxygen system rentals are all inclusive and represent a monthly allowance per beneficiary. Accordingly, a supplier must bill on a monthly basis for stationary oxygen equipment and contents furnished during a rental month.

A portable equipment add-on is also payable when portable oxygen is prescribed and it is determined to be medically necessary in accordance with Medicare coverage requirements. The portable add-on must be claimed in order to be paid. (See §30.6.)

B. HCPCS Codes

The HCPCS codes must be used to report the service. One month of service equals one unit.

C. Use of Payment Modifiers and Revenue Codes for Payment Adjustments

The monthly payment amount for stationary oxygen is subject to adjustment depending on the amount of oxygen prescribed (liters per minute (LPM)), and whether or not portable oxygen is also prescribed. (See §30.6.) HHAs billing the A/B MAC (HHH) for stationary equipment, supplies, or contents, which are not eligible for payment adjustment, bill under revenue code 0601. Claims must indicate the appropriate HCPCS modifier described below, if applicable.

- If the prescribed amount of oxygen is less than 1 LPM, suppliers use the modifier "QE"; HHAs use revenue code 0602. The monthly payment amount for stationary oxygen is reduced by 50 percent.

- If the prescribed amount of oxygen is greater than 4 LPM, suppliers use the modifier "QG"; HHAs use revenue code 0603. The monthly payment amount for stationary oxygen is increased by 50 percent.

- If the prescribed amount of oxygen exceeds 4 LPM and portable oxygen is prescribed, suppliers use the modifier "QF"; HHAs use revenue code 0604. The monthly payment for stationary oxygen is increased by the higher of 50 percent of the monthly stationary oxygen payment amount, or, the fee schedule amount for the portable oxygen add-on. (A separate monthly payment is not allowed for the portable equipment.) *Effective April* 1, 2017, the modifier “QF” must be used with both the stationary and portable oxygen equipment codes.

Effective April 1, 2017, portable oxygen “QF” modifier fee schedule amounts will be added to the DMEPOS fee schedule file. The portable oxygen “QF” fee schedule amounts will represent the higher of 1) 50 percent of the monthly stationary oxygen payment amount or 2) the fee schedule amount for the portable oxygen add-on.

There are three claims processing scenarios:

Scenario 1 – A claim for stationary oxygen equipment is submitted with the QG modifier. The history is reviewed and it is discovered that portable oxygen equipment was billed AND paid within the last 30 days prior to the stationary oxygen equipment's date of service. Since we have already paid the portable add-on, we can't pay the volume adjustment add-on, therefore billing with QG modifier is inappropriate and the claim should be returned as unprocessable.

Scenario 2 – A claim for stationary oxygen equipment is submitted with the QG modifier and within 30 days, a claim for portable oxygen equipment is received. In this case we have already paid the volume add-on so the portable equipment add –on is returned as unprocessable.

Scenario 3 – A claim for stationary oxygen equipment is submitted with the QG modifier AND the portable oxygen equipment comes in with the same date of service. In this case EVERYTHING is returned as unprocessable due to the incorrect use of the modifier and neither is valid.

NOTE: All these claims are being returned as unprocessable since there is no way for Medicare to know whether the first claim submitted was billed incorrectly or if the subsequent claim was billed incorrectly.

Contractors shall use the following messages for claims that are returned as unprocessable:
Group Code: CO (Contractual Obligation)
CARC 4 - The procedure code is inconsistent with the modifier used or a required modifier is missing. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present.
RARC MA130 - Your claim contains incomplete and/or invalid information, and no appeal rights are afforded because the claim is unprocessable. Please submit a new claim with the complete/correct information.

The following three new pricing modifiers are added to the HCPCS file effective April 1, 2018:

QA PRESCRIBED AMOUNTS OF STATIONARY OXYGEN FOR DAYTIME USE WHILE AT REST AND NIGHTTIME USE DIFFER AND THE AVERAGE OF THE TWO AMOUNTS IS LESS THAN 1 LITER PER MINUTE (LPM)

QB PRESCRIBED AMOUNTS OF STATIONARY OXYGEN FOR DAYTIME USE WHILE AT REST AND NIGHTTIME USE DIFFER AND THE AVERAGE OF THE TWO AMOUNTS EXCEEDS 4 LITERS PER MINUTE (LPM) AND PORTABLE OXYGEN IS PRESCRIBED

QR PRESCRIBED AMOUNTS OF STATIONARY OXYGEN FOR DAYTIME USE WHILE AT REST AND NIGHTTIME USE DIFFER AND THE AVERAGE OF THE TWO AMOUNTS IS GREATER THAN 4 LITERS PER MINUTE (LPM)

Additionally, the existing QE, QF, and QG modifiers are revised to clarify that the prescribed flow rate at rest is used in accordance with regulations at 42 CFR 414.226(e)(3). This section instructs that if the prescribed flow rate is different for the patient at rest than for the patient at exercise, the flow rate for the patient at rest is used. Effective April 1, 2018, the modifiers are revised to read:

QE PRESCRIBED AMOUNT OF STATIONARY OXYGEN WHILE AT REST IS LESS THAN 1 LITER PER MINUTE (LPM)

QF PRESCRIBED AMOUNT OF STATIONARY OXYGEN WHILE AT REST EXCEEDS 4 LITERS PER MINUTE (LPM) AND PORTABLE OXYGEN IS PRESCRIBED

QG PRESCRIBED AMOUNT OF STATIONARY OXYGEN WHILE AT REST IS GREATER THAN 4 LITERS PER MINUTE (LPM)

Beginning April 1, 2018, claims for monthly oxygen volume adjustments must indicate the appropriate HCPCS modifier described below as applicable. Oxygen fee schedule amounts are adjusted as follows:

If the prescribed amount of oxygen is less than 1 LPM, suppliers use either of the following modifiers with the stationary oxygen HCPCS code:

- *The modifier "QE" PRESCRIBED AMOUNT OF STATIONARY OXYGEN WHILE AT REST IS LESS THAN 1 LITER PER MINUTE (LPM); HHAs use revenue code 0602. The monthly payment amount for stationary oxygen is reduced by 50 percent.*

- *The modifier "QA" PRESCRIBED AMOUNTS OF STATIONARY OXYGEN FOR DAYTIME USE WHILE AT REST AND NIGHTIME USE DIFFER AND THE AVERAGE OF THE TWO AMOUNTS IS LESS THAN 1 LITER PER MINUTE (LPM); The monthly payment amount for stationary oxygen is reduced by 50 percent. This modifier is used when the prescribed flow rate is different for nighttime use and daytime use and the average of the two flow rates is used in determining the volume adjustment.*

If the prescribed amount of oxygen is greater than 4 LPM, suppliers use either of the following modifiers with the stationary oxygen HCPCS code:

- *The modifier "QG" PRESCRIBED AMOUNT OF STATIONARY OXYGEN WHILE AT REST IS GREATER THAN 4 LITERS PER MINUTE (LPM); HHAs use revenue code 0603. The monthly payment amount for stationary oxygen is increased by 50 percent.*

- *The modifier "QR" PRESCRIBED AMOUNTS OF STATIONARY OXYGEN FOR DAYTIME USE WHILE AT REST AND NIGHTIME USE DIFFER AND THE AVERAGE OF THE TWO AMOUNTS IS GREATER THAN 4 LITERS PER MINUTE (LPM); HHAs use revenue code 0603. The monthly payment amount for stationary oxygen is increased by 50 percent.*

If the prescribed amount of oxygen is greater than 4 LPM and portable oxygen is prescribed, suppliers use either of the following modifiers with both the stationary and portable oxygen HCPCS code:

- *The modifier "QF" PRESCRIBED AMOUNT OF STATIONAY OXYGEN WHILE AT REST EXCEEDS 4 LITERS PER MINUTE (LPM) AND PORTABLE OXYGEN IS PRESCRIBED; HHAs use revenue code 0604. If the prescribed flow rate differs between stationary and portable oxygen equipment, the flow rate for the stationary equipment is used. The monthly payment for stationary oxygen is increased by the higher of 50 percent of the monthly stationary oxygen payment amount, or the fee schedule amount for the portable oxygen add-on. A separate monthly payment is not allowed for the portable equipment. Effective April 1, 2017, the modifier "QF" must be used with both the stationary and portable oxygen equipment codes.*

- *The modifier "QB" PRESCRIBED AMOUNTS OF STATIONARY OXYGEN FOR DAYTIME USE WHILE AT REST AND NIGHTTIME USE DIFFER AND THE AVERAGE OF THE TWO AMOUNTS EXCEEDS 4 LITERS PER MINUTE (LPM) AND PORTABLE OXYGEN IS PRESCRIBED; HHAs use revenue code 0604. If the prescribed flow rate differs between stationary and portable oxygen equipment, the flow rate for the stationary equipment is used. The monthly payment for stationary oxygen is increased by the higher of 50 percent of the monthly stationary payment amount, or the fee schedule amount for the portable oxygen add-on. A separate monthly payment is not allowed for the portable equipment. Effective April 1, 2018, the modifier "Q??" must be used with both the stationary and portable oxygen equipment codes. The stationary and portable oxygen equipment QB fee schedule amounts will be added to the DMEPOS fee schedule file effective 4/1/2018.*

The stationary oxygen QF and QB fee schedule amounts on the DMEPOS fee schedule file represent 100 percent of the stationary oxygen allowed fee schedule amount. The portable oxygen equipment add-on QF

and QB fee schedule amount on the file by state represent the higher of:

1. *50 percent of the monthly stationary oxygen payment amount (codes E0424, E0439, E1390 or E1391); or*

2. *The fee schedule amount for the portable oxygen add-on (codes E0431, E0433, E0434, E1392 or K0738).*

D. Conserving Device Modifier

The HHA's and suppliers must indicate if an oxygen conserving device is being used with an oxygen delivery system by using HCPCS modifier “QH”.

E. DME MACs Only

For all States that have licensure/certification requirements for the provision of oxygen and/or oxygen related products, DME MACs shall process claims for oxygen and oxygen related products only when an oxygen specialty code is assigned to the DMEPOS supplier by the NSC and is forwarded to the DME MACs from the NSC.

This specialty shall be licensed and/or certified by the State when applicable. This specialty shall bill for Medicare-covered services and/or products when State law permits such entity to furnish oxygen and/or oxygen related products.