

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES

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Strong Families - South Dakota's Foundation and Our Future

January 19, 2018

ATTENTION: South Dakota Medicaid Providers

FROM: South Dakota Medicaid

RE: DME Administrative Rule Changes

The medical equipment chapter, [ARSD Ch. 67:16:29](#), was updated to provide clarification of coverage as part of the Department of Social Services' Fall 2017 administrative rules package. The rule changes became effective December 4, 2017 and include the following:

- Supplies for rented durable medical equipment are included in the Medicaid rental payment, unless specifically listed on the department's billing guidance website <http://dss.sd.gov/medicaid/providers/billingmanuals/>. No supplies are exempt at this time.
- Payment for the maintenance and repair of medical equipment is covered when:
 - The item is covered by South Dakota Medicaid;
 - The recipient's condition meets the coverage criteria for the item; and
 - The item is owned by the recipient.
- The cost of repair of medical equipment may not exceed the purchase price of the new item. The cost of a repair to medical equipment that is under a warranty is not eligible for payment if the repair is covered by warranty. Providers must keep a copy of the warranty. The warranty must be provided upon request of the department. Repairs or maintenance due to malicious damage or culpable neglect must be referred to the department.
- When equipment is rented, the initial prescription is valid for no more than one year and must be renewed at least annually thereafter or when the physician estimated quantity, frequency, or duration of the recipient's need has expired whichever occurs first.
- Documentation of medical necessity must be updated annually or when the physician estimated quantity, frequency, or duration of the recipient's need has expired, whichever occurs first, unless the department has other specified criteria. A certificate of medical necessity form that meets the department's requirements is available on our website at <http://dss.sd.gov/formsandpubs/default.aspx>.
- Payment for purchase or monthly rental of medical equipment includes the following:
 - The manufacturer and dealer warranty;

The Department of Social Services does not exclude, deny benefits to, or otherwise discriminate against any person on the basis of actual or perceived race, color, religion, national origin, sex, age, gender identity, sexual orientation or disability in admission or access to, or treatment or employment in its programs, activities, or services. For more information about this policy or to file a Discrimination Complaint you may contact: Discrimination Coordinator, Director of DSS Division of Legal Services, 700 Governor's Drive, Pierre SD 57501, 605-773-3305.

ATENCIÓN: si habla español, tiene a su disposición servicios gratuitos de asistencia lingüística. Llame al 1-800-305-9673 (TTY: 711).

ACHTUNG: Wenn Sie Deutsch sprechen, stehen Ihnen kostenlos sprachliche Hilfsdienstleistungen zur Verfügung. Rufnummer: 1-800-305-9673 (TTY: 711).

- Any cost associated with assembling an item or part used for the assembly of an item;
- Any adjustment and modification required within 90 days of the dispensing date for purchases or during the total rental period, except those due to a major change in the recipient's condition;
- Instruction to the recipient in the safe use of the medical equipment;
- Cost of delivery to the recipient's residence and, when appropriate, to the room in which the item will be used; and
- Cost of return to the provider if rented.

Thank you,
South Dakota Medicaid