

Replacement of Prosthesis or Prosthetic Components

Documentation Requirements

Correct Prosthesis: The supplier (prosthetist) is responsible to provide the correct prosthesis for the patient. If an incorrect prosthesis is supplied the supplier is obligated to make the situation right (take back the incorrect prosthesis, provide the correct one, and adjust the billing). There is no time limit for this.

Repairs and Adjustments are covered when necessary to make the prosthesis or component functional. Manufacturer-Required Maintenance is covered as well.

What about the 5-year Useful Lifetime Rule? This rule does not apply to prosthetics. The Social Security Act was amended in 2001 to exclude Prosthetics from the Useful Lifetime Rule, so amputees could get replacements when needed.

What is a Replacement? A replacement is the provision of an entirely identical or nearly identical item. If the prosthesis is different, it is considered a new device and no longer covered under the original order.

Rules for Replacement

Replacement is covered if the treating physician orders a replacement of the entire prosthesis or major component (socket, knee, foot, etc.) and the replacement falls under one of the following **Reasons for Replacement** (documented on the order or in the referring physician's notes).

- 1) There is a change in the physiological condition of the beneficiary; or
- 2) There is irreparable wear of the prosthesis/component; or
- 3) The condition of the prosthesis/component requires repairs, and the cost of such repairs [list price of parts + labor] is greater than 60% of the cost [Medicare allowable] of the replacement prosthesis/component.

What Qualifies?

The DME MACs have issued further clarification (not all inclusive) on reasons for replacements in their Lower Limb Prosthesis LCDs and Policy Articles:

- 1) changes in the residual limb; or
- 2) functional need changes; or
- 3) wear/tear due to excessive patient weight; or
- 4) wear/tear due to prosthetic demands of very active amputees; or
- 5) loss or irreparable damage due to specific accident or natural disaster

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Tips

- 1) Take care when describing the current prosthesis in the medical record, so it does not sound like an incorrect prosthesis was provided.
- 2) Choose one reason (see examples below) for replacing the prosthesis and carefully build a case to support this in the patient’s medical record. Explain in great detail why the prosthesis is being replaced. While it is required that the status of the current prosthesis be documented, if the patient’s functional need or physiological condition has changed and a different prosthesis is needed, this should be the focus of the documentation.

Documentation Requirements

Reason for Replacement	Documentation Requirement
<p>CHANGE IN PATIENT’S CONDITION</p> <p>PHYSIOLOGICAL OR FUNCTIONAL</p> <p>Replace with Identical or Nearly Identical Device</p> <p><i>Note: If device is not identical or nearly identical, see Documentation Checklist, Prosthetist Documentation Guide and Physician Documentation Guide.</i></p>	<p>Physician:</p> <p>New Detailed Written Order (DWO) is required. The reason for replacement must be on the order (DWO) or in the physician’s medical record. The reason for replacement in this case would be the change that has occurred in the patient’s physiological condition a change in the patient’s functional need.</p> <p>Prosthetist:</p> <p>Retain documentation of components being replaced, reason for replacement, and description of labor involved; and detailed justification for each component (socket, knee, ankle, foot, etc.) replaced. Proof of Delivery.</p>
<p>IRREPARABLE WEAR/TEAR OF THE DEVICE.</p> <p>Replace with Identical or Nearly Identical Device</p> <p><i>Note: If device is not identical or nearly identical, see Documentation Checklist, Prosthetist Documentation Guide and Physician Documentation Guide.</i></p>	<p>Physician:</p> <p>New Detailed Written Order (DWO) is required. The reason for replacement must be on the order (DWO) or in the physician’s medical record. The reason for the replacement would be “due to wear/tear (e.g. excessive patient weight, prosthetic demands of active amputee, etc.)</p> <p>Prosthetist:</p> <p>Retain documentation of components being replaced, reason for replacement, and description of labor involved; and detailed justification for each component (socket, knee, ankle, foot, etc.) replaced. Proof of Delivery.</p>

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Reason for Replacement	Documentation Requirement
<p>WEAR/TEAR OF THE DEVICE OR COMPONENT; WHEN COST OF REPAIR IS GREATER THAN 60% OF THE COST OF A REPLACEMENT.</p> <p>Replace with Identical or Nearly Identical Device</p> <p>Note: If device is not identical or nearly identical, see Documentation Checklist, Prosthetist Documentation Guide and Physician Documentation Guide.</p>	<p>Physician:</p> <p>New Detailed Written Order (DWO) is required. The reason for replacement must be on the order (DWO) or in the physician’s medical record. The reason for the replacement would be “the cost of repair is greater than 60% of the cost of replacement and the reason for wear/tear (e.g. excessive patient weight, prosthetic demands of active amputee, etc.)</p> <p>Prosthetist:</p> <p>Retain documentation of components being replaced, reason for replacement, and description of labor involved; and detailed justification for each component (socket, knee, ankle, foot, etc.) replaced. Proof of Delivery.</p> <p>If replacing an MPK, we suggest having on file a quotation demonstrating repair cost will exceed 60% of replacement cost (i.e. 60% of the total allowable for the new codes being billed).</p>
<p>IRREPARABLE DAMAGE DUE TO SPECIFIC ACCIDENT OR NATURAL DISASTER (E.G. FIRE OR FLOOD)</p> <p>OR</p> <p>DEVICE IS LOST OR STOLEN</p> <p>Replace with exact same device as originally ordered.</p>	<p>Physician:</p> <p>New Detailed Written Order (DWO) is required. The reason for replacement must be on the order (DWO) or in the physician’s medical record. In this case, it would be the accident, disaster, or loss.</p> <p>Prosthetist:</p> <p>Proof of loss or damage through documentation such as a police report, picture, or corroborating statement should be submitted with the claim.</p> <p>Describe in medical record that the prosthesis, as originally ordered, still fills the beneficiary’s medical needs.</p> <p>Retain documentation of components being replaced, reason for replacement, and description of labor involved. Proof of Delivery.</p>

Reference

Medicare DME MAC. Local Coverage Requirements for Standard Documentation for All Claims Submitted

Ottobock Reimbursement Department