

ALABAMA HOME MEDICAL EQUIPMENT BOARD
ADMINISTRATIVE CODE

CHAPTER 473-X-1
DEFINITIONS

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473-X-1-.01 **Definitions**

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(1) Applicant means an individual applicant in the case of a sole proprietorship, or any officer, director, agent, managing employee, general manager, or person in charge, or any partner or shareholder having an ownership interest in the corporation, partnership, or other business entity.

(2) Board means the Board of Home Medical Equipment, as established by the Code of Ala. 1975, Sections 34-14C-1 et. seq.

(3) Consumer or Patient means any person who uses home medical equipment in his or her place of residence.

(4) Home Medical Equipment (HME) means medical devices usable in a residential setting. Home Medical Equipment is any equipment that provides therapeutic benefits or enables the consumer to perform certain tasks that he or she is unable to undertake otherwise due to certain medical conditions and/or illnesses. Home Medical Equipment is considered to be equipment that can withstand repeated use and is primarily and customarily used to serve a medical purpose. Home Medical Equipment includes, but is not limited to:

(a) equipment such as wheelchairs and power-operated vehicles ("scooters"), wheelchair cushions and seating systems, hospital beds, traction equipment, canes, crutches, walkers; respiratory care equipment, including positive air pressure devices, invasive and non-invasive ventilators, apnea monitors, aerosol compressors, nebulizers, oxygen therapy equipment; and other such device; and other medically needed items.

(b) any product intended for use in the home and defined as a medical device by the U. S. Food and Drug Administration under the federal Food, Drug and Cosmetic Act, Chapter 11, Sec. 201. [312] (b) and Chapter V, Subchapters (A) and (B).

(c) any product, intended for use in the home, which is a device, instrument, apparatus, machine, or other similar article whose label bears the statement: "Caution: Federal law requires dispensing by or on the order of a physician."

(d) any product eligible to be reimbursed under the Healthcare Common Procedure Coding System (HCPCS) code listing by any insurance provider, to include, but not limited to, Medicare Program Part B Durable Medical Equipment benefits or Alabama Medicaid Program Durable Medical Equipment benefits.

(e) Home Medical Equipment does not include prosthetics, splints, braces or aids custom fabricated by a licensed health care provider.

(f) Home Medical Equipment does not include vehicle platform lifts or residential platform lifts and stairways chair lifts.

(5) Home Medical Equipment Services means the advertisement, in any form or through any medium, sale, rental, delivery, installation, maintenance, replacement of, or instruction in the use of medical equipment and related supplies used by a sick or disabled individual to obtain care or treatment and be maintained in a residential setting.

(6) Home Medical Equipment Services Provider means a corporation, other business entity, or person engaged in the business of providing home medical equipment, either directly or through a contractual arrangement, to an unrelated sick or disabled individual in the residence of that individual.

(7) Licensee means the person or entity to which a license is issued by the Board.

(8) Mail order company means a company which lists its products for consumers to buy, rent or lease via telephone, mailed check with order form, or Internet order and delivers such products directly to the consumer via a postal service, such as the U.S. Postal Service (USPS), UPS, FedEx or another courier service; provided, however, that a company that supplies respiratory care and oxygen equipment, as defined under Rule 473-X-1-.01(4)(a), to Alabama consumers in this manner, or any other home medical equipment necessary to avert an immediate threat to a consumer's health or safety, without which a consumer might be required to seek emergency medical treatment, shall not be considered to be a mail order company for purposes of this rule. Mail order companies do not have a licensed physical location in the state and must comply with the regulations of the Federal Trade Commission (FTC), 16 C.F.R. §§435.1 to 435.3, and the USPS. Home Medical Equipment Services Providers whose employees, agents or subcontractors enter the consumer's residence to service home medical equipment supplied by a mail order company or to instruct consumers in the

use of such equipment shall not be considered mail order companies.

(9) Person in Charge means any individual, partnership, corporation, association, governmental subdivision or public or private organization that directly or indirectly manages, controls, or oversees the operation of a corporation or other business entity that is a licensee, regardless if that person is a partner, shareholder, owner, officer, director, agent, or employee of the entity.

(10) Change in Ownership or Change in Control means the purchase of either the assets or stock of a Home Medical Equipment Services Provider's Business.

(a) an asset purchase is the purchase of the assets of a business only. The buyer will be operating the business under a new tax identification number (TIN).

(b) a stock purchase is the purchase of all the assets and liabilities of a business, where the buyer will retain and operate the business under its existing TIN.

(11) Warehouse means a support facility to a licensed location that houses a licensee's surplus inventory of home medical equipment. A warehouse is not open to the public, may not sell or distribute home medical equipment directly to the consumer and may not be advertised as a licensed location. A warehouse does not meet the supplier standards set forth in 473-X-4-.01 and may not be licensed as a separate location.

Author: The Alabama Board of Home Medical Equipment Services Providers

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