ALABAMA MEDICAID AGENCY
ADMINISTRATIVE CODE

CHAPTER 560-X-13
DURABLE MEDICAL EQUIPMENT, SUPPLIES, APPLIANCES, PROSTHETICS, ORTHOTICS AND PEDORTHICS

TABLE OF CONTENTS

560-X-13-.01	Durable Medical Equipment, Supplies, Appliances, Prosthetics, Orthotics And Pedorthics - General
560-X-13-.02	Participating Providers
560-X-13-.03	Method Of Requesting DME, Supplies, Appliances And POP
560-X-13-.04	Reserved
560-X-13-.05	Reserved
560-X-13-.06	Reserved
560-X-13-.07	Noncovered Items And Services
560-X-13-.08	Reserved
560-X-13-.09	Reserved
560-X-13-.10	Reimbursement And Signatures
560-X-13-.11	Non-Reimbursement Of DME, Supplies, Appliances And POP
560-X-13-.12	Cost-Sharing
560-X-13-.13	Reserved
560-X-13-.14	Augmentative Communication Devices
560-X-13-.15	Oxygen Therapy Coverage
560-X-13-.16	External Breast Prostheses
560-X-13-.17	Wheelchairs
560-X-13-.18	Basic Level Prosthetics, Orthotics, And Pedorthics
560-X-13-.19	Warranty, Maintenance, And Replacement
560-X-13-.20	Specific DME, Supplies, Appliances, And POP Coverage And Policy Not Otherwise Mentioned

560-X-13-.01 Durable Medical Equipment, Supplies, Appliances, Prosthetics, Orthotics And Pedorthics - General.

(1) Durable Medical Equipment (DME), supplies, and appliances are available as Medicaid program benefits to eligible Medicaid beneficiaries for use in any setting in which normal life activities take place.

(2) The covered DME, supplies, and appliances, and Prosthetics, Orthotics and Pedorthics (POP) are for medical therapeutic purposes, and must be ordered by the prescriber in connection with the plan of treatment, and the items will minimize the necessity

for hospitalization, nursing home, or other institutional care. The prescriber of these items must comply with 42 C.F.R. §440.70 as well as all other federal and state rules and regulations in order to receive reimbursement.

(3) DME is equipment:

(a) that can withstand repeated use;

(b) is primarily and customarily used to serve a medical purpose;

(c) generally is not useful to a person in the absence of an illness, disability or injury; and

(d) can be removable or reusable. All requirements of the definition must be met before an item can be considered to be DME.

(4) Refer to Rule No. 560-X-13-.18 for Prosthetics, Orthotics and Pedorthics (POP) guidelines.

(5) The cost of the item must not be disproportional to the therapeutic benefits or more costly than a reasonable alternative. The item must not serve the same purpose as equipment already available to the recipient. DME may be purchased or rented for a Medicaid recipient meeting the established criteria. Please refer to Chapter 14, DME, of the Medicaid Provider Manual published on Medicaid's website.

(a) Medicaid covers the purchase of DME items for long term use. Long term use is defined as the use of DME which exceeds six months.

(b) Medicaid covers the rental of DME items for six months or less.

(6) A recipient does not have to be a Home Health Care patient in order to receive coverage for products covered under this Chapter.

(7) The provider is responsible for educating the recipient in the use of the DME. The provider is also responsible for delivery and set up of the DME.

(8) All appliances and standard DME approved for payment by Medicaid must have a warranty of a minimum of one year; this may include the manufacturer's warranty. Please refer to Rule No. 560-X-13-.19.

(9) Requirements for Placing the Initial Written Prescription or Order for Certain Medical Supplies, Equipment, and Appliances.

(a) The authorized practitioner who develops the recipient's written plan of care ("the ordering practitioner") is required to sign and place the initial prescription or order for certain medical supplies, equipment, and appliances.

(b) Subsequent written prescriptions or orders for refills, ancillary supplies, repairs or services, or re-certifications do not require the ordering practitioner's signature or an additional face-to-face visit.

(c) Either an enrolled physician or one of the following authorized non-physician practitioners (NPP) may both conduct and document the clinical findings from the required face-to-face visit and write the initial written prescription or order for certain medical supplies, equipment, and appliances:

1. Certified registered nurse practitioners (CRNP) or clinical nurse specialists (CNS) working under a collaboration agreement under Alabama law with the ordering physician;

2. Physician assistants (PA) under the supervision of the ordering physician; or

3. Attending acute or post-acute physicians, if recipients are admitted to home health services immediately after discharge from an acute or post-acute stay.

(d) The required face-to-face visit for the initial written prescription or order for certain medical supplies, equipment, and appliances must be related to the primary reason why the recipients require the certain medical supplies, equipment, and appliances and must occur no more than 6 months prior to the start of services. The required face-to-face visit may be conducted using telehealth systems.

(e) The ordering practitioner is also required to review the recipient's written plan of care annually to determine the recipient's continued need for all medical supplies, equipment, and appliances.

(f) Not all initial written prescriptions or orders for medical supplies, equipment, and appliances require a face-to-face visit be conducted. The face-to-face visit requirement is limited only to the certain medical supplies, equipment, and appliances that are also subject to a face-to-face requirement under the Medicare DME program as "Specific Covered Items" in 42 C.F.R. 410.38(g).

Author: Kelli Littlejohn Newman, PharmD, Director, Clinical Services

Statutory Authority: State Plan; 42 CFR §440.70; Title XIX, Social Security Act.

History: Rule effective October 1, 1982. **Amended:** Effective November 11, 1985. **Amended:** Filed February 3, 1997; effective March 10, 1997. **Amended:** Filed June 4, 1997; effective July 9, 1997. **Amended:** Filed August 11, 2004; effective September 15, 2004. **Amended:** Filed May 11, 2012; effective June 15, 2012. **Amended:** Filed April 11, 2014; effective May 16, 2014. **Amended:** Filed January 11, 2016; effective February 25, 2016. **Amended:** Filed February 10, 2017; effective March 27, 2017. **Amended:** Filed August 10, 2018; effective September 24, 2018. **Amended:** Published October 30, 2020; effective December 14, 2020.

560-X-13-.02 Participating Providers.

(1) Participating providers (also referred to as "all providers mentioned in this chapter" or "provider") are those Home Health Agencies, pharmacies, DME, supply, appliance and POP suppliers contracted with Medicaid for this program.

(2) Participating providers must meet the Medicare criteria as specified in the regulations of the Centers for Medicare and Medicaid Services, Department of Health and Human Services at 42 C.F.R. Section 424.57, which regulations are adopted by reference. Copies of these regulations may be obtained from the U.S. Government Printing Office, Washington, DC 20402-9328.

(3) Medicaid's fiscal agent enrolls providers and issues provider contracts to applicants who meet the licensure or certification requirements of the State of Alabama, Code of Federal Regulations, Alabama Medicaid Administrative Code, and Alabama Medicaid Provider Manual.

(4) All providers within this chapter should contact the applicable licensing or accreditation board(s) to determine the licensure requirements for each of the specialties. The appropriate documentation must be submitted during the Alabama Medicaid provider enrollment or re-enrollment process. If the appropriate licensure documentation is not submitted, the provider will not be assigned the selected specialty. Please refer to Chapter 14, DME, of the Medicaid Provider Manual for additional licensure information.

(5) All providers mentioned in this chapter, except pharmacy providers as outlined in subparagraph (d) (ii) below, must submit the following documentation to the Medicaid fiscal agent prior to enrollment:

(a) Copy of a current Home Medical Equipment (HME) license or documentation that the provider meets an exemption to the licensure requirements outlined in Code of Ala. 1975, §34-14C-5;

(b) copy of a current business license;

(c) copy of the approved Medicare enrollment application or Medicare enrollment letter; and

(d) copies of the Medicare Accreditation and the Medicare Surety Bond(s).

1. Effective October 1, 2010, all participating providers are required to have a $50,000 Surety Bond for each National Provider Identifier (NPI) unless the provider meets an exemption in paragraph (6) below. To qualify for the exemption in (6) (f) below, the provider must have a Surety Bond for three years prior.

2. Pharmacy providers seeking to enroll as Alabama Medicaid DME providers are required to submit their Medicare enrollment letter only. They are not required to submit a Medicare Surety Bond, Medicare Accreditation letter or Medicaid Surety Bond.

(6) Provider(s) are exempt from surety bond requirements if the provider(s):

(a) is a DME supplier who has been a Medicaid provider for five years or longer with no record of impropriety, and whose refund requests have been repaid as requested. If Medicaid identified a problem with improper billing or fraudulent activity the provider will be required to obtain a Surety Bond; or

(b) is a government-operated DME, Prosthetics, Orthotics and Supplies (DMEPOS) provider; or

(c) is an accredited DME, Prosthetics, Orthotics, & Supplies (DMEPOS) provider with Centers for Medicare and Medicaid Services (CMS) working in a private practice under the supervision of a physician making custom-made orthotics and prosthetics for patients within the private practice only; or

(d) are physicians and non-physician practitioners, as defined in Section 1842(b) (18) of the Social Security Act; or

(e) are physical and occupational therapists in private practice; or

(f) are providers who received $100,000 or less Medicaid payment in the previous two calendar years; or

(g) are pharmacy providers; or

(h) are phototherapy providers who only provide phototherapy services for infants; or

(i) are Federally Qualified Health Centers.

(7) Alabama Medicaid DME, supply, appliance, and POP providers must renew their required surety bonds annually, before the day and month that the first bond was effective to avoid a lapse in coverage, a denial of Medicaid reimbursements and termination as a Medicaid provider.

(a) Proof of the renewal must be submitted to Medicaid's fiscal agent at least 30 days prior to the individual bond's termination date. The assigned Medicaid provider location number and current physical location address must be included on the surety bond renewal document for the individual DME, supply, appliance, or POP business location being bonded.

(b) If there is a lapse in surety bond coverage dates, the provider will be denied payment for services that may have been otherwise covered by Medicaid, and the individual location without a current surety bond on file will be terminated as a Medicaid provider.

(8) The provider's business must be physically located within the state of Alabama or within a 30-mile radius of the state of Alabama. This requirement does not apply to Medicare crossover-only providers or providers described below.

(a) Providers located more than 30-miles from the border of Alabama may be enrolled only as follows:

1. for specialty equipment and supplies such as augmentative communication devices, automatic external defibrillators, high frequency chest wall oscillation air pulse generator systems which are not readily available in state; or

2. for supplies and equipment needed as the result of a transplant or unique treatment approved out of state as the result of an Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) referral or medical necessity. Suppliers will be enrolled by the Medicaid fiscal agent on a temporary basis for these situations.

(9) All providers must maintain a physical facility on an appropriate site in accordance with all applicable federal and state regulations or requirements.

(a) The provider's business location must be accessible to the public, Medicaid recipients, recipient's representatives and Alabama Medicaid and its agents. (The location must not be in a gated community or other area where access is restricted.)

(b) The location may be a "closed door" business, such as a pharmacy or supplier providing services only to recipients

residing in a nursing home that complies with all applicable federal and state regulations or requirements.

(10) All providers mentioned in this chapter must remain open to the public for a minimum of 30 hours per week during normal business hours except physicians, physical and occupational therapists or a provider working with custom made orthotics and prosthetics. A provider must maintain a primary business telephone listed under the name of the business in a local directory or a toll-free number available through directory assistance. The exclusive use of an answering machine, answering service, or cell phone during posted business hours is prohibited. Providers (as related to the provider's specialty) must have DME, appliances or supply items stocked in the physical store location that are readily available to Medicaid recipients presenting prescriptions or orders for these items.

(11) All providers in this chapter must maintain a permanent visible sign in plain view and post the hours of operation. If the provider’s place of business is located within a building complex, the sign must be visible at the main entrance of the building.

(12) Satellite businesses affiliated with a provider are not covered under the provider contract; therefore, no reimbursement will be made to a provider doing business at a satellite location.

(13) The provider must not have any felony convictions or record of noncompliance with Medicaid or Medicare regulations.

(14) All providers mentioned in this chapter must notify Medicaid’s fiscal agent in writing of any changes to the information contained in its application at least 30 business days prior to making such changes. These changes may include, but are not limited to, changes in ownership or control, federal tax identification number, or business address changes.

(15) Failure of providers to comply with these requirements will result in their termination from the Alabama Medicaid Program.
Author: Jessica Grace, DME/POP Program Manager, Clinical Services and Support
Statutory Authority: State Plan; 42 C.F.R. §434.6; Title XIX, Social Security Act.
History: Rule effective October 1, 1982. **Amended:** Filed February 8, 2002; effective March 15, 2002. **Amended:** Filed January 10, 2003; effective February 21, 2003. **Amended:** Filed November 8, 2006; effective December 13, 2006. **Amended:** Filed April 11, 2008; effective May 16, 2008. **Amended:** Filed December 12, 2008; effective January 16, 2009. **Amended:** Filed December 11, 20098; effective January 15, 2010. **Amended:** Filed June 11, 2010; effective July 16, 2010. **Amended:** Filed May 11, 2012; effective June 15, 2012. **Amended:** Filed November 9, 2012; effective December 14, 2012. **Amended:** Filed January 11, 2016; effective

February 25, 2016. **Amended:** Published July 31, 2026; effective September 14, 2026.

560-X-13-.03 **Method Of Requesting DME, Supplies, Appliances And POP.**

(1) A written order or a signed prescription (as defined by the Medicare Program Integrity Manual Chapter 5) signed by the prescriber is required for covered items. An EPSDT or Patient 1st primary physician (PMP) referral may be submitted as an order when written according to practice guidelines and state or federal law and must include the date and signature of the prescriber, the item(s) ordered and the recipient name. For acceptable formats of provider signature, refer to Medicaid Administrative Code, Rule No. 560-X-1-.18.

(2) A prescription or order is considered to be outdated by Medicaid when it is presented to the provider or Medicaid's fiscal agent past 90 days from the date it was written.

(3) Medicaid considers a prescription to be valid for the dispensing of supplies for a period of twelve months. After the twelve-month period of time, the recipient must be reevaluated by the prescriber to determine medical necessity for continued dispensing of medical supplies.

(4) Certain DME, supplies and appliances require prior authorization by Medicaid. Please refer to Chapter 14, DME, of the Medicaid Provider Manual published on Medicaid's website. Repairs or replacement of parts, after the first year the equipment or appliance is issued, require prior authorization unless otherwise specified by Medicaid. A provider's failure to go through the process of obtaining prior authorization for repairs or replacement does not by itself constitute a non-covered service.

(5) Procedures for requesting and dispensing DME, supplies and appliances that require a prior authorization are as follows:

(a) The prescriber must complete and sign a written order or prescription and give to the recipient or sponsor to take to the provider of their choice. The prescriber may also fax the prescription or order to the provider of the recipient's choice.

(b) The provider must submit the following documentation by electronic submission, fax or mail to the Medicaid fiscal agent:

1. the appropriate Alabama Prior Review and Authorization Request Form,

2. the EPSDT or Patient 1st PMP Referral Form, if applicable,

3. all necessary documentation to justify medical necessity, and

4. current prescription or order.

(c) Medicaid or its designee will review the request and assign a status of approved, denied or pending.

1. If the request is approved, the provider will receive an approval letter with the ten-digit prior authorization number.

2. If the request is denied, written notice will be sent to the provider and the recipient indicating the reason(s) for denial. Information giving them their right to appeal is also included in this notice.

3. If the request is placed in pending or conditionally approved status, the prior authorization letter will provide information and a timeframe for submission of the invoice.

(d) All prior authorization requests for DME must be received by the Medicaid fiscal agent within 30 calendar days after equipment is dispensed. All prior authorization requests received beyond the 30 calendar days after equipment is dispensed will be denied.

(e) The provider may not bill the recipient for an item for which a prior authorization has been denied due to provider error or the provider's failure to submit the necessary medical documentation for the prior authorization request.

(6) Suppliers requesting approvals for medical items must provide Medicaid with an expected date of delivery. For medical items approved, Medicaid will indicate the time frame allowed for providers to dispense equipment on the approval letter.

(a) When a provider is unable to dispense equipment within the timeframe specified on the approval letter, an extension may be requested with written justification as to the specific reason(s) why the equipment cannot be supplied timely. All requests for extensions must be submitted to Medicaid prior to the expiration date indicated on the approval letter.

(b) Medicaid will cancel conditional approvals (PA's in "pending" status) for medical items that are not dispensed timely when there is no justifiable reason for delay.

(7) Procedures for requesting and dispensing DME, supplies and appliances that do not require a prior authorization are as follows:

(a) It is the responsibility of the recipient or authorized representative to obtain the signed prescription or order from the physician and take to a participating provider.

(b) Upon receipt of the prescription or order, the provider must:

1. verify Medicaid eligibility. Recipient's eligibility must be verified on a monthly basis. Medicaid will not reimburse providers for items supplied to recipients in months where recipients have no eligibility;

2. obtain necessary managed care or EPSDT referrals;

3. furnish the covered item(s) as prescribed;

4. collect the appropriate co-payment amount;

5. retain all documentation, including, but not limited to, the prescription or order, referral forms, PA forms, etc. on file for a period of three years plus the current year; and

6. submit the proper claim form to Medicaid's fiscal agent.

(8) DME, supplies, and appliances not listed as covered services in Chapter 14, DME, of the Medicaid Provider Manual may be requested for coverage by submitting the request to Medicaid for review and consideration. It will be the provider's responsibility to supply Medicaid with the necessary medical documentation to support the medical necessity of the requested item(s).

(9) Automatic refills are not permitted by the Medicaid Agency. Violations may result in unauthorized charges. The provider may be held liable, or Medicaid may recoup the unauthorized charges, or cancel the provider agreement.

Author: Kelli Littlejohn Newman, PharmD, Director, Clinical Services

Statutory Authority: State Plan Attachment 3.1-A; 42 CFR §440.70; Title XIX, Social Security Act.

History: Rule effective October 1, 1982. **Amended:** Effective November 11, 1985; January 13, 1993. **Amended:** Filed December 12, 2008; effective January 16, 2009. **Amended:** Filed May 11, 2012; effective June 15, 2012. **Amended:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.04 Reserved.
Author: Hattie Nettles, Associate Director, LTC Policy Advisory Unit
Statutory Authority: State Plan; 42 CFR §440.70; Title XIX, Social Security Act.
History: Rule effective October 1, 1982. **Amended:** Effective November 11, 1985. **Amended:** Filed February 3, 1997; effective March 10, 1997. **Amended:** Filed June 4, 1997; effective July 9, 1997. **Amended:** Filed October 12, 2001; effective November 16, 2001. **Amended:** Filed August 11, 2004; effective September 15, 2004. **Amended:** Filed April 11, 2008; effective May 16, 2008. **Amended:** Filed December 12, 2008; effective January 16, 2009. **Repealed:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.05 Reserved.
Author: Hattie M. Nettles, Associate Director, LTC Policy Advisory Unit
Statutory Authority: State Plan; 42 C.F.R. §440.70; Title XIX, Social Security Act.
History: Rule effective October 1, 1982. **Amended:** Effective August 9, 1984. **Amended:** Filed February 3, 1997; effective March 10, 1997. **Amended:** Filed June 4, 1997; effective July 9, 1997. **Amended:** Filed October 12, 2001; effective November 16, 2001. **Amended:** Filed August 11, 2004; effective September 15, 2004. **Amended:** Filed December 12, 2008; effective January 16, 2009. **Repealed:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.06 Reserved.
Author: Patricia Harris, Administrator, LTC Program Management Unit
Statutory Authority: State Plan; 42 CFR §440.70; Title XIX, Social Security Act.
History: Rule effective October 1, 1982. **Amended:** effective November 11, 1985; October 12, 1988; November 15, 1989; January 13, 1993. **Amended:** Filed February 3, 1997; effective March 10, 1997. **Amended:** Filed October 12, 2001; effective November 16, 2001. **Amended:** Filed August 11, 2004; effective September 15, 2004. **Repealed:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.07 Noncovered Items And Services.

Non-covered items and services include, but are not limited to:

(1) Items of a deluxe nature.

(2) Replacement of usable equipment.

(3) Items for use in hospitals, nursing homes, or other institutions. However, DME items may be provided in nursing homes or other institutions for children through the EPSDT Program.

(4) Items for the patient or patient's caregiver's comfort and convenience.

(5) Items not listed as covered by Medicaid.

(6) Rental of equipment, with the following exceptions:

(a) Rental for six months or less, or

(b) Medicare crossover, or

(c) Certain intravenous therapy equipment, or

(d) Short term use due to institutionalization, or

(e) Short term use due to death of a recipient.

Author: Kelli Littlejohn Newman, PharmD, Director, Clinical Services
Statutory Authority: State Plan; 42 CFR §441.15; Title XIX, Social Security Act.
History: Rule effective October 1, 1982. **Amended:** Filed February 3, 1997; effective March 10, 1997. **Amended:** Filed April 11, 2008; effective May 16, 2008. **Amended:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.08 Reserved.
Author: Theresa Richburg, Henry C. LeCroy
Statutory Authority: 42 C.F.R. §431.625; State Plan, Attachment 3.2-A; Title XIX, Social Security Act.
History: Rule effective October 1, 1982. **Amended:** effective January 8, 1985; October 13, 1987. **Emergency rule** effective February 1, 1989. **Amended:** effective May 12, 1989. **Repealed:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.09 Reserved.
Author: Theresa D. Richburg
Statutory Authority: State Plan; 42 C.F.R. §435.10; Title XIX, Social Security Act.

History: Rule effective October 1, 1982. **Amended:** Effective September 9, 1988. **Repealed:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.10 Reimbursement And Signatures.

(1) Medicaid will reimburse for only those DME, supply, appliance or POP items indicated on the approval letter from Medicaid or its designee.

(2) Reimbursement will be made for purchases or rentals in accordance with the DME Fee Schedule on the Medicaid website.

(3) Request for reimbursement must be submitted on the appropriate claim form. Please refer to Chapter 14, DME, of the Medicaid Provider Manual.

(4) The provider agrees to accept as payment in full the amount paid by Medicaid for covered items.

(a) The provider (or provider's staff) must advise each patient prior to services being rendered when Medicaid payment will not be accepted and the patient will be responsible for the bill.

(b) The fact that Medicaid payment will not be accepted must be recorded in the patient's record. Refer to Rule No. 560-X-1-.07.

(5) Medicaid recipients may be billed for non-covered items.

(6) Medicaid recipients may be billed for items provided by non-enrolled suppliers.

(7) Refer to Rule No. 560-X-1-.18, Provider/Recipient Signature Requirement, for signature requirements. Recipient signatures are required for all DME, supply, appliance and POP claims to validate the billed and reimbursed service was rendered to the recipient. For DME, supply, appliance and POP items that have been delivered, the provider must ensure that the delivery service obtains the recipient's signature or the signature of the recipient's designee. For purposes of this Rule, designee is defined as: "Any person who can sign and accept the delivery on behalf of the recipient." The relationship of the designee should be noted on the delivery slip (i.e. spouse, power of attorney, etc.). The signature of the designee should be legible. If the signature is not legible, the name of the person should be printed on the delivery slip. When payment has been made on claims for which a signature is not available and one of the exceptions in Rule No. 560-X-1-.18 is not applicable, the funds paid to the provider will be recovered.

Author: Kelli Littlejohn Newman, PharmD, Director, Clinical Services
Statutory Authority: State Plan; Attachment 4.19-B, page 5; 42 C.F.R. §§447.50, 447.252; Title XIX, Social Security Act.
History: Rule effective October 1, 1982. **Amended:** effective July 9, 1984; June 8, 1985. **Amended:** Filed October 12, 2001; effective November 16, 2001. **Amended:** Filed August 11, 2004; effective September 15, 2004. **Amended:** Filed December 12, 2008; effective January 16, 2009. **Amended:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.11 Non-Reimbursement Of DME, Supplies, Appliances And POP.

(1) DME item(s) furnished by a supplier without receipt of an authorization to purchase by Medicaid will not be approved for reimbursement.

(2) Item(s) supplied to an individual who is not eligible during the month in which the item(s) are furnished, are not reimbursable.

(3) Medicaid recipients cannot be reimbursed directly by Medicaid.
Author: Kelli Littlejohn Newman, PharmD, Director, Clinical Services
Statutory Authority: 42 C.F.R. §447.252; Title XIX, Social Security Act.
History: Rule effective October 1, 1982. **Amended:** effective January 8, 1985. **Amended:** Filed February 3, 1997; effective March 10, 1997. **Amended:** Filed August 11, 2004; effective September 15, 2004. **Amended:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.12 Cost-Sharing.

(1) Medicaid recipients are required to pay and suppliers are required to collect the designated co-pay amount for the rental or purchase of DME, supplies, appliances and POP, including crossover claims.

(2) The co-payment fee does not apply to in certain situations in accordance with Rule No. 560-X-1-.25.

(3) A provider may not deny services to any eligible recipient due to the recipient's inability to pay the cost-sharing amount imposed.
Author: Kelli Littlejohn Newman, PharmD, Director, Clinical Services

Statutory Authority: 42 C.F.R. §447.50; State Plan, Attachment 4.19-B, page 5; Title XIX, Social Security Act.
History: Rule effective June 8, 1985. **Amended:** Filed May 11, 2001; effective June 15, 2001. **Amended:** Filed December 12, 2008; effective January 16, 2009. **Amended:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.13 Reserved.
Author: Patricia Harris, Administrator, LTC Program Management Unit
Statutory Authority: Title XIX, Social Security Act; 42 C.F.R. Section 440.70; State Plan, Attachment 4.19-B; and ORBA '89.
History: Emergency Rule effective September 1, 1993. Effective date of this amendment December 14, 1993. **Amended:** Filed July 7, 1994; effective August 12, 1994. **Amended:** Filed August 11, 2004; effective September 15, 2004. **Repealed:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.14 Augmentative Communication Devices.

(1) Augmentative Communication Devices (ACDs) are covered for Medicaid-eligible recipients meeting the criteria. Please refer to Chapter 14, Durable Medicaid Equipment (DME), of the Medicaid Provider Manual published on Medicaid's website.

(2) ACDs and services are available through the Alabama Medicaid Agency prior authorization process. Requests for authorization must be submitted to Medicaid for review. Please refer to Chapter 14, Durable Medicaid Equipment (DME), of the Medicaid Provider Manual published on Medicaid's website.

(3) Medicaid reserves the right to request additional information or evaluations by appropriate professionals.
Author: Jessica Grace, DME Program Manager, Clinical Services
Statutory Authority: State Plan; 42 CFR, Section 440.70; Title XIX, Social Security Act.
History: New Rule: Filed March 22, 1999; effective April 26, 1999. **Amended:** Filed October 12, 2001; effective November 16, 2001. **Amended:** Filed December 30, 2008; effective February 3, 2009. **Amended:** Filed January 11, 2016; effective February 25, 2016. **Amended:** Published October 31, 2025; effective December 15, 2025.

560-X-13-.15 Oxygen Therapy Coverage.

(1) Oxygen Therapy is covered for the entire Medicaid population based on medical necessity and must be prior authorized by

Medicaid. Requests for prior authorization must be made on the appropriate Alabama Prior Review and Authorization Request Form. The request must be accompanied by appropriate medical and other required documentation in accordance with Rule No. 560-X-13-.03.

(2) The medical diagnosis must indicate a chronic debilitating medical condition, with evidence that other forms of treatment (such as medical and physical therapy directed at secretions, bronchospasm and infection) were tried without success and that continuous oxygen therapy is required. Oxygen will not be approved for as needed (PRN) use only.
Author: Kellie Littlejohn Newman, PharmD, Director, Clinical Services
Statutory Authority: State Plan; 42 CFR, Section 440.70; Title XIX, Social Security Act.
History: New Rule: Filed October 12, 2001; effective November 16, 2001. **Amended:** Filed December 12, 2008; effective January 16, 2009. **Amended:** Filed January 11, 2016; effective February 25, 2016.

560-X-13-.16 External Breast Prostheses.

(1) External breast prostheses following mastectomy for breast cancer are covered for all Medicaid-eligible recipients meeting the criteria. Please refer to Chapter 14, DME, or the Medicaid Provider Manual published on Medicaid's website

(2) Providers of external breast prostheses devices for adults and Mastectomy Fitters must meet the enrollment requirements detailed in Chapter 14, DME, of the Medicaid Provider Manual published on Medicaid's website and be enrolled as an Alabama Medicaid provider.
Author: Jessica Grace, DME/POP Program Manager, Clinical Services and Support
Statutory Authority: State Plan; 42 CFR, Section 440.70; Title XIX, Social Security Act.
History: New Rule: Filed October 12, 2001; effective November 16, 2001. **Amended:** Filed August 11, 2004; effective September 15, 2004. **Amended:** Filed May 11, 2012; effective June 15, 2012. **Amended:** Filed April 11, 2014; effective May 16, 2014. **Amended:** Filed January 11, 2016; effective February 25, 2016. **Amended:** Published July 31, 2026; effective September 14, 2026.

560-X-13-.17 Wheelchairs.

(1) Wheelchairs are a covered benefit for patients who meet full Medicaid eligibility criteria and medical necessity. The patient must meet criteria applicable to wheelchairs pursuant to this chapter, and Chapter 14, DME, of the Medicaid Provider Manual.

(2) All requests for wheelchairs are subject to the Medicaid prior approval provisions in accordance with Rule No. 560-X-13-.03 and any additional requirements in Chapter 14, DME, of the Medicaid Provider Manual.

(3) Limitations and Exclusions

(a) Patients may be approved for one manual or power/motorized wheelchair every five years for children ages 0-20 and every seven years for adults ages 21-99 based on medical necessity.

(b) Home, environmental and vehicle adaptations, equipment and modifications are not covered.

(c) Repairs or replacement of parts require prior authorization unless otherwise specified by Medicaid.

(d) Within the five year period for children ages 0-20 and seven year period for adults ages 21-99, Medicaid will not repair or replace equipment that is lost, destroyed, or damaged as a result of misuse, neglect, loss or wrongful disposition or equipment by the recipient, the recipient's caregiver(s), or the provider. At a minimum, examples of equipment misuse, neglect, loss or wrongful disposition by the recipient, recipient's caregiver, or the provider include, but are not limited to the following:

1. Loss of wheelchair or parts.

2. Selling or loaning wheelchair or parts.

3. Damage due to weather.

4. Failure to store the wheelchair in a secure and covered area when not in use.

5. Use on public roadways where the speed limit is greater than 25 miles per hour.

6. Loss, destruction or damage caused by the malicious, intentional or negligent acts.

(4) Patient Education

(a) Providers are responsible for patient education and documentation of appropriate usage of wheelchair. Patient education shall include, but not be limited to, proper storage, usage on or off public roadways, battery life, cleaning, warranty, etc.

(b) Documentation of patient education and understanding by both the servicing provider and the recipient or caregiver

shall be kept in the patient file for the life of the wheelchair.

(5) Reimbursement for wheelchair, except as outlined in this section for EPSDT-referred wheelchairs, will be made in accordance with the DME Fee Schedule located on the Medicaid website.

(6) Reimbursement for EPSDT-referred Wheelchair Systems

(a) All requests for EPSDT-referred wheelchairs are subject to the Medicaid prior approval provisions in accordance with Rule No. 560-X-13-.03 and the following additional provisions:

1. If no Medicare price is available for EPSDT-referred wheelchair systems, the reimbursement rate is established based on a discount from Manufacturers Suggested Retail Price (MSRP) instead of a "cost-plus" basis.

2. Providers are required to submit MSRPs from three manufacturers for wheelchair systems (excluding seating system and add-on products) appropriate for the individual's medical needs.

3. Requests submitted with less than three prices from different manufacturers must contain documentation supporting the appropriateness and reasonableness of equipment requested for a follow-up review by Medicaid staff or designee. Provider must document non-availability of required MSRPs to justify not sending in three prices.

(b) The established rate will be based on the MSRP minus the following discounts:

1. Manual wheelchair systems – 20% discount from MSRP

2. Power wheelchair system – 15% discount from MSRP

3. Ancillary (add-on) products:

(i) Electronic ancillary products – 15% discount from MSRP

(ii) Non-electronic ancillary products – 20% discount from MSRP

Author: Keisha Howard, PDL Administrator, Clinical Services and Support
Statutory Authority: State Plan Attachment4.19-A; 42 CFR, Section 440.70; Title XIX, Social Security Act.
History: New Rule: Filed September 19, 2003; effective October 24, 2003. **Amended:** Filed August 11, 2004; effective September 15, 2004. **Amended:** Filed September 9, 2005; effective October 14, 2005. **Amended:** Filed December 12, 2008; effective January

16, 2009. **Amended:** Filed March 13, 2009; effective April 17, 2009. **Amended:** Filed November 9, 2012; effective December 14, 2012. **Repealed and New Rule:** Filed January 11, 2016; effective February 25, 2016. **Amended:** Filed June 9, 2017; effective July 24, 2017.

560-X-13-.18 Basic Level Prosthetics, Orthotics, And Pedorthics.

(1) Basic level prosthetics, orthotics and pedorthics are covered benefits to Medicaid eligible recipients up to age 65 in a non-institutional and institutional setting. The recipients must meet established Medicaid criteria applicable to prosthetic, orthotic, and pedorthic devices pursuant to this chapter and Chapter 14, DME, of the Medicaid Provider Manual.

(a) For items to be covered, recipients must meet eligibility requirements, the devices must be reasonable and necessary to improve the functioning of a malformed body member or replace an absent body member and meet all other applicable Medicaid statutory and regulatory requirements.

(b) Providers of prosthetic, orthotic, and pedorthic devices for adults must be enrolled as a Medicaid provider. Refer to Chapter 14, DME, of the Medicaid Provider Manual published to Medicaid's website for specific enrollment requirements.

(c) The provider must be practicing as a prosthetic, orthotic, or pedorthic practitioner in the State of Alabama at an accredited facility.

(d) Provider must keep a copy of the written prescription or order from the primary physician for the prosthetic or orthotic device in the recipient’s file for a period of three years plus the current year.

(e) The provider must have documentation of the education follow-up provided to the recipient of the use of the prosthetic and orthotic device in the recipient’s file.

(2) For Medicaid to approve lower limb prosthesis, medical documentation must be submitted substantiating that a prosthesis is essential for the recipient to ambulate and that the recipient is motivated to ambulate.

(3) For Medicaid to approve an orthotic device, medical documentation must be submitted to show that the device supports or aligns movable parts of the body, prevents or corrects deformities, or improved functioning.

(4) For Medicaid to approve therapeutic shoes for diabetes, medical documentation must be maintained showing that the recipient has diabetes mellitus and other medical conditions justifying the need. Refer to the DME Fee Schedule on the Alabama Medicaid Agency website for prosthetic, orthotics, and pedorthic reimbursement rates and benefit limits.
Author: Jessica Grace, DME/POP Program Manager, Clinical Services and Support
Statutory Authority: State Plan Attachments 3.1-A and 4.19-B; 42 CFR, Section 440.70; Title XIX, Social Security Act.
History: New Rule: Filed February 11, 2008; effective March 17, 2008. **Amended:** Filed December 30, 2008; effective February 3, 2009. **Amended:** Filed May 11, 2012; effective June 15, 2012. **Amended:** Filed January 11, 2016; effective February 25, 2016. **Amended:** Published July 31, 2026; effective September 14, 2026.

560-X-13-.19 Warranty, Maintenance, And Replacement.

(1) All standard DME, appliances, and POP must have a warranty for a minimum of one year; this may include the manufacturer's warranty. If the provider supplies items that are not covered under a warranty, the provider is responsible for repairs, replacements and maintenance for the first year.

(a) The warranty begins on the date of delivery (date of service) to the recipient. A statement of the warranty must be given to the recipient and the provider must keep a copy of the warranty for audit review by Medicaid. Medicaid may request a copy of the warranty.

(b) In the event the supplying provider does not honor or provide the mandatory one year warranty and does not repair the items when needed, Medicaid may impose penalties, to include but not limited to deducting the total cost of the repairs from a check write of the supplying provider, recoupment of reimbursement paid to the provider for the equipment, or termination of the provider's contract.

(2) Medicaid covers repair and replacement of DME, supplies, appliances and POP. These services, in most cases, must be prior approved by Medicaid. The request for repair or replacement and appropriate documentation (includes PA when applicable) justifying the need for replacement must be submitted electronically to Medicaid's fiscal agent and kept in the recipient's file.

(3) Requests for replacement or repair of items that are covered by Medicaid which are outside the normal benefit limits, due to damage beyond repair or other extenuating circumstances, must be submitted to the DME Unit for review and consideration. Request for repair or replacement due to extenuating circumstances should

be mailed to, Alabama Medicaid Agency, 501 Dexter Ave., DME Unit, Montgomery, AL 36103.

(4) Medicaid will not repair or replace items that are lost, destroyed, or damaged as a result of misuse, neglect, loss, or wrongful disposition of equipment by the recipient, the recipient's caregiver(s), or the provider. Requests for repair or replacement will be denied if such circumstances are confirmed. Payment for repair or replacement of items denied by Medicaid is the responsibility of the recipient. At a minimum, examples of misuse, neglect, loss or wrongful disposition by the recipient, recipient's caregiver, or the provider include, but are not limited to the following:

(a) Loss of item or related parts

(b) Selling or loaning item or related parts

(c) Damage due to weather

(d) Failure to store the items in a secure and covered area when not in use

(e) Loss, destruction or damage caused by the malicious, intentional or negligent acts

(5) Alabama Medicaid covers replacement items due to loss by disasters, fire, theft, etc. The provider must submit the appropriate documentation (fire report, police report, etc.) with the PA (if PA is required), and keep all related documentation in the recipient's file per Agency record retention policy. The date of the report must be within 30 days of the date of the loss or event.

Author: Kelli Littlejohn Newman, PharmD, Director, Clinical Services

Statutory Authority: State Plan; 42 CFR Section 440.70; and Title XIX, Social Security Act.

History: New Rule: Amended: Filed January 11, 2016; effective February 25, 2016.

560-X-13-.20 Specific DME, Supplies, Appliances, And POP Coverage And Policy Not Otherwise Mentioned.

Specific DME and POP coverage and policy not mentioned in this chapter are described in Chapter 14, DME, of the Medicaid Provider Manual, and is located on the Medicaid website. Questions related to specific coverage and policy should be submitted in writing or email to, Alabama Medicaid Agency, Clinical Services and Support, DME Unit.

Author: Kelli Littlejohn Newman, PharmD, Director, Clinical Services

Statutory Authority: State Plan; 42 CFR Section 440.70; and Title XIX, Social Security Act.
History: New Rule: Filed January 11, 2016; effective February 25, 2016.