

**ALABAMA DEPARTMENT OF WORKFORCE  
WORKERS' COMPENSATION  
ADMINISTRATIVE CODE**

**CHAPTER 480-5-5  
UTILIZATION MANAGEMENT AND BILL SCREENING**

**480-5-5-.32      Durable Medical Equipment.**

(1) All services described in these rules, except those specifically noted, shall have prior authorization of the employer/agent before reimbursement shall be made. The authorized treating physician shall state that the condition was indeed work-related and that the durable medical equipment is medically necessary. Each authorization request shall include a prescription or statement of need from the authorized treating physician.

(2) If a claimant is receiving treatment for both compensable and noncompensable medical conditions, only those services provided in treatment of compensable conditions shall be listed on claims and invoices submitted to the employer/agent. In addition, items covered by private payers for noncompensable conditions shall not be listed on invoices submitted to the employer/agent.

(3) Durable Medical Equipment (DME) refers to those items which can withstand repeated use, are primarily used to serve a medical purpose, are generally not useful to a person in the absence of illness, injury or disease, and are appropriate for use in the claimant's home.

(a) The employer/agent reimburses for the purchase or rental of certain medical equipment and accessories and the purchase of certain medical supplies for the claimant's use in a noninstitutional setting.

**(4) Equipment Rental/Purchase Guidelines**

(a) Whenever the total of prospective rental payments for the period of medical need as stated by the authorized treating physician equals or exceeds the maximum purchase price, the DME provider, authorized treating physician and employer/agent shall purchase instead of renting the equipment.

(b) The return of rented equipment is the dual responsibility of the claimant and the DME supplier. The employer/agent is not responsible and shall not reimburse for additional rental periods solely because of a delay in equipment return.

(c) The repair or maintenance of rented DME is the responsibility of the DME supplier at no additional charge to the claimant. The employer/agent is responsible for DME repair

and maintenance of purchased equipment (subject to warranty provisions). For purchased DME, the DME supplier shall provide at least a one-year warranty agreement to the claimant. If the warranty agreement requires some nominal monetary fee, it is billable to the employer/agent. The DME supplier shall always inform the claimant about any DME warranty provided by the manufacturer.

(d) Upon request or unless documented in the physician's office notes, the provider shall attach a signed statement from the claimant acknowledging receipt of the equipment or supply item whenever submitting invoices to the employer/agent.

**(5) Prosthetic and Orthotic Appliances**

(a) An employer/agent shall pay for only those orthotic and prosthetic devices prescribed by an authorized treating physician for recognized occupational injury or illness. The device must be described in commonly recognized language in accordance with HCPCS Medicare Regional Durable Medical Equipment Regional Carrier (DMERC) Prosthetic and Orthotics "L" codes included in this document.

(b) Repairs and modifications to achieve satisfactory adjustments of an appliance shall be made within 60 days of initial fitting without additional charge by the supplier. The provider shall attach a signed statement from the claimant acknowledging receipt of the item whenever submitting invoices to the employer/agent for prosthetic appliances.

**(6) Braces and Other Nonfitted Items**

(a) Braces and other items which are not custom fitted, such as collars and prosthetic supplies that are prescribed by the authorized treating physician, are reimbursable without prior authorization if a prescription is secured and/or a letter of medical necessity.

**(7) Orthopedic Shoes**

(a) The employer/agent shall pay for orthopedic or specially constructed shoes following foot injuries as prescribed by the authorized treating physician or letter of medical necessity.

**(8) Non-listed Items and Individual Considerations**

(a) Occasionally, there may be a workers' compensation claim where the HCPCS codes do not appear on the DMERC "L" Code Schedule. Where a medical necessity has been documented, the employer/agent shall pay for the prosthetic and/or orthotic equipment to the suppliers when a prescription is rendered to the employer/agent.

(9) **Non-Covered Services**

(a) In general, only those equipment items listed in the section of the DMERC/HCPCS "L" Codes shall be reimbursed. If otherwise unlisted HCPCS codes are used, the maximum allowance may be covered when medical necessity is documented and a prescription is secured and rendered at time of billing.

(10) **Applicability**

(a) Only practitioners certified by the American Board of Certification shall be entitled to provide custom prosthetic and orthotic appliances.

(11) **Billing Instructions**

(a) All initial claims for the rental or purchase of DME shall be filed with a statement of medical necessity. The authorized treating physician shall supply the durable medical equipment provider with a prescription stating the medical necessity for such services with the claimant's diagnosis, prognosis, and expected time span for which the equipment or supplies shall be required.

**Author:** Workers' Compensation Medical Services Board

**Statutory Authority:** Code of Ala. 1975, §25-5-293.

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