

MEDICAID POLICY INFORMATION SHEET

Policy Analyst: Lisa Trumbell

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Initial

Public Comment

Final

Brief description of policy:

This policy announces coverage of microprocessor knees and additions to current lower limb prosthetic policy.

Reason for policy (problem being addressed):

Use of microprocessor prosthetic knees have become a standard of care for K3 and K4 level lower limb amputees. These items assist the person in functioning at a higher level, provide more stability and efficient gait. The updates to the lower limb add-on requirements are for clarification purposes.

Budget implication:

budget neutral

will cost MDHHS Between \$150,000 and \$200,000, and is budgeted in current appropriation

will save MDHHS \$

Is this policy change mandated per federal requirements?

No

Does policy have operational implications on other parts of MDHHS?

No

Does policy have operational implications on other departments?

No

Summary of input:

controversial (Explain)

acceptable to most/all groups

limited public interest/comment

Supporting Documentation:

| | |
|--|---|
| State Plan Amendment Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Public Notice Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| If Yes, please provide status: <input type="checkbox"/> Approved <input type="checkbox"/> Pending <input type="checkbox"/> Denied | If yes, Submission Date: |
| Date: Approval Date: | |

DRAFT FOR PUBLIC COMMENT

Michigan Department of Health and Human Services

Project Number: 2336-DMEPOS

Date: July 18, 2023

Comments Due: August 22, 2023

Proposed Effective Date: October 1, 2023

Direct Comments To: Lisa Trumbell

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Policy Subject: Coverage of Microprocessor Prosthetic Knee-Shin Systems and Updates to Definitive Endoskeletal Below Knee Prosthetics Add-ons

Affected Programs: Medicaid, Children's Special Health Care Services (CSHCS), Healthy Michigan Plan

Distribution: Prosthetists, Practitioners, Hospitals, Medicaid Health Plans (MHPs), Integrated Care Organizations (ICOs)

Summary: This policy announces coverage of microprocessor knees and additions to current lower limb prosthetic policy.

Purpose: Use of microprocessor prosthetic knees have become a standard of care for K3 and K4 level lower limb amputees. These items assist the person in functioning at a higher level, provide more stability and efficient gait. The updates to the lower limb add-on requirements are for clarification purposes.

Cost Implications: \$150,000 - \$200,000

Potential Hearings & Appeal Issues:

State Plan Amendment Required: Yes No
If yes, date submitted:

Public Notice Required: Yes No
Submitted date:

Tribal Notification: Yes No - Date:

THIS SECTION COMPLETED BY RECEIVER

Approved

No Comments

See Comments Below

Disapproved

See Comments in Text

Signature:

Phone Number

Signature Printed:

Bureau/Administration (*please print*)

Date

Proposed Policy Draft

Michigan Department of Health and Human Services
Behavioral & Physical Health and Aging Services Administration

Distribution: Prosthetists, Practitioners, Hospitals, Medicaid Health Plans (MHPs), Integrated Care Organizations (ICOs)

Issued: September 1, 2023 (Proposed)

Subject: Coverage of Microprocessor Prosthetic Knee-Shin Systems and Updates to Definitive Endoskeletal Below Knee Prosthetics Add-ons

Effective: October 1, 2023 (Proposed)

Programs Affected: Medicaid, Children's Special Health Care Services (CSHCS), Healthy Michigan Plan

This policy applies to Medicaid Fee-for-Service (FFS). Medicaid Health Plans (MHPs) and Integrated Care Organizations (ICOs) must provide the full range of covered services described in this policy at a minimum and may choose to provide services over and above those specified. For beneficiaries enrolled in a MHP or ICO, the provider must check with the beneficiary's MHP/ICO for prior authorization requirements.

The purpose of this bulletin is to inform providers of Medicaid coverage of microprocessor knee-shin systems and to update definitive endoskeletal below knee prosthetics required add-ons. This policy is effective October 1, 2023.

Coverage of Prosthetic Microprocessor Knee-Shin Systems

A microprocessor knee/shin system may be covered for a beneficiary with a knee disarticulation amputation, a trans-femoral amputation, a hip disarticulation amputation; or congenital deformity of the lower limb when the following are met:

- The beneficiary is motivated to ambulate using a microprocessor knee/shin system;
- The beneficiary has the current or potential functional level of K3 or K4;*
- The requested system will be the primary mode of ambulation to perform activities of daily living and to access their community;
- The beneficiary has the cognitive ability to use the system, understands and can respond to system errors and alerts;
- The beneficiary has the physical strength with sufficient pulmonary and cardiovascular reserve to ambulate using the system;
- The beneficiary's age and weight meet the manufacturer's system indications; and

- The beneficiary has access to a power source that meets the manufacturer's system requirements.

A powered and programmable flexion/extension assist control endoskeletal knee-shin system (L5859) is only covered when the beneficiary meets all the following:

- Functional level K3 only;
- The beneficiary has a microprocessor swing and stance phase (L5856) knee;
- The beneficiary has a comorbidity of the spine or the sound limb that affects the function of hip extension and/or the quadriceps that impairs K3 level function with the use of the microprocessor knee alone;
- The beneficiary can charge the system daily; and
- The beneficiary can understand and respond to errors and alerts.

Note: L5859 is not intended for high impact sports or heavy-duty use.

Prior to recommending a microprocessor knee/shin system providers must consider environmental factors (e.g., high levels of dust, dirt, moisture, etc.) a beneficiary may frequent that may be contraindicated for use of the system.

*Refer to the Billing & Reimbursement for Professionals chapter of the [Michigan Department of Health and Human Services \(MDHHS\) Medicaid Provider Manual](#) for K level definitions.

Documentation

Documentation must be less than 60 days old and include the following:

- Diagnosis/medical condition related to the service requested.
- Current functional "K" level.
- An occupational or physical therapy evaluation may be required on a case-by-case basis when PA is required.
- Ordering practitioner documentation substantiating beneficiary physical ability (including ample cardiovascular and pulmonary reserve) to use the device.
- Manufacturer warranty for the knee/shin system and componentry (e.g., life of warranty and componentry included in warranty. Include warranty number if manufacturer issues warranty numbers).

Prior Authorization Requirements

Prior authorization is required for all microprocessor knee/shin systems. Coverage will only be provided for one type of definitive knee/shin system (e.g., microprocessor, fluid or pneumatic). All conditions of the warranty must be exhausted prior to requesting replacement/repair of the microprocessor knee-shin system and components.

Warranty

The warranty period begins on the date the beneficiary receives the knee/shin system. The warranty information (include life of warranty and items included in the warranty. If a manufacturer issues a warranty number, this must be kept on file) must be kept in the beneficiary file and be available upon request.

Non-Covered

- Microprocessor knee-shin systems for recreational/or athletic purposes only.
- Back-up/secondary prosthetic devices.
- Smart devices (e.g., smart phones, iPads, tablets, etc.) these items do not meet the definition of a dedicated medical device.
- Prosthetic knees and components covered under the manufacturer warranty.
- Upgrades to a microprocessor knee/shin system when the beneficiary's current prosthesis is in good repair, is under Medicaid frequency limits, and continues to meet the beneficiary's medical/functional need.

Updates to Definitive Endoskeletal Below Knee Prosthetics Add-ons

Effective October 1, 2023, MDHHS will add pylons to the list of add-ons required for a definitive endoskeletal below knee prosthetic. "Gel-liner," will be removed from the list of add-ons and policy will indicate "liner," to encompass all types of liners (e.g., gel, silicone, etc.) that MDHHS currently covers.

All other policy standards of coverage, documentation, prior authorization, and payment rules remain unchanged.