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Reimbursement Policy
DME Modifiers for New, Rented, and Used Equipment

Policy Number: **G-06053**
Policy Section: **Coding**
Last Approval Date: **03/26/2026**
Effective Date: **03/26/2026**

Visit our provider website for the most current version of the reimbursement policies. If you are using a printed version of this policy, please verify the information by going to **https://provider.amerigroup.com/GA**.

Policy

The health plan allows reimbursement for new, rented, or used equipment appended with the appropriate modifier unless provider, state, federal, or CMS contracts and/or requirements indicate otherwise. The listed modifiers are considered reimbursement modifiers and must be billed in the primary or first modifier field to determine appropriate reimbursement:

- Modifier NU: new equipment
- Modifier RR: rented equipment

The health plan does not allow reimbursement for used equipment — modifier UE.

These modifiers are appropriate for durable medical equipment (DME), prosthetics, and orthotics. These modifiers are inappropriate for supplies unless required under state or CMS guidelines. Claims for supplies appended with modifier NU, RR, or UE are not eligible for reimbursement.

Reimbursement will be based on the applicable fee schedule or contracted/negotiated rate for claims submitted for the equipment with the valid modifier identifying new, rented, or used equipment. Claims submitted for equipment without the appropriate reimbursement modifier are not eligible for reimbursement.

Related Coding

Standard correct coding applies.

Definitions

- **Durable Medical Equipment (DME) -** Items that meet the following criteria: Are primarily and customarily used to serve a medical purpose rather than convenience or comfort; Can withstand repeated use; Generally, are not useful to a person without an illness or injury; Are appropriate for use in the home; Are prescribed by a licensed physician/practitioner.
- **Prosthetic Device -** An artificial structural and functional replacement of a limb/appendage or internal organ, or all or part of the function of a permanently inoperative or malfunctioning internal body organ.
- **Orthotic Device -** A brace with rigid metal or plastic stays applied to the body for support or immobilization of a body part, to correct or prevent deformity, or to assist or restore function.
- **General Reimbursement Policy Definitions**

Related Policies and Materials

- Durable Medical Equipment (Rent to Purchase)
- Modifier Usage
- Prosthetic and Orthotic Devices

References and Research Materials

This policy has been developed through consideration of the following:

- CMS
- State contract
- State Medicaid

Policy History

- **03/26/2026 -** Review approved: no changes
- **06/09/2023** - Review approved and effective: updated policy template
- **09/14/2020** - Review approved and effective
- **10/26/2018 -** Review approved
- **03/14/2016 -** Intial approval and effective

Disclaimer

These reimbursement policies serve as a guide to assist you in accurate claims submissions and to outline the basis for reimbursement if the service is covered by a member's benefit plan. The determination that a service, procedure, or item is covered under a member's benefit plan is not a determination that you will be reimbursed. Services must also meet authorization and medical necessity guidelines appropriate to the procedure and diagnosis, as well as to the member's state of residence.

Ensure that you use proper billing and submission guidelines, including industry-standard, compliant codes on all claim submissions. Services should be billed with Current Procedural Terminology (CPT®) codes, Healthcare Common Procedure Coding System (HCPCS) codes, and/or revenue codes. These codes denote the services and/or procedures performed and, when billed, must be fully supported in the medical record and/or office notes. Unless otherwise noted within the policy, our reimbursement policies apply to both participating and non-participating professional providers and facilities.

If appropriate coding/billing guidelines or current reimbursement policies are not followed, we may:

- Reject or deny the claim.
- Recover and/or recoup claim payment.
- Adjust the reimbursement to reflect the appropriate services and/or procedures performed.

These reimbursement policies may be superseded by mandates in provider, state, federal, or Centers for Medicare & Medicaid Services (CMS) contracts and/or requirements. We strive to minimize delays in policy implementation. If there is a delay, we reserve the right to recoup and/or recover claims payment to the effective date, in accordance with the policy. We reserve the right to review and revise these policies when necessary. When there is an update, we will publish the most current policy to the website.

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