

51224.5 Durable Medical Equipment and Medical Supply Providers

(a)

As a condition for enrollment, or continued enrollment, in the Medi-Cal program, an applicant or provider of durable medical equipment and medical supplies shall:

- (1) Maintain a business address, as defined in Section 51000.3, that is accessible to the general public. Each provider shall keep, maintain, and have readily retrievable at their business address those records specified in Section 51476.
- (2) Maintain a business telephone, as defined in Section 51000.4, at the business address. The business telephone number shall be listed under the name of the business and in the business portion of the local telephone company directory.
- (3) Maintain comprehensive liability insurance that covers both the applicant's or provider's place of business and any and all customers and employees of the applicant or provider.
- (4) Fill orders from its inventory or by contracting with other companies for the purchase of items necessary to fill the order. Items may be fabricated or fitted for sale only from supplies purchased under contract.
- (5) Obtain and maintain all state and local licenses and permits necessary to provide the services, goods, supplies, or merchandise being provided, including but not limited to, the licenses specified below:
 - (A) One or more of the licenses issued by the Bureau of Home Furnishings and Thermal Insulation of the Department of Consumer Affairs, as applicable to the applicant's or provider's business activity:

1. If the applicant or provider intends to rent or currently rents beds, a Sanitizer's License, a Furniture and Bedding Manufacturer's License, a Custom Upholsterer's License, a Retail Furniture and Bedding Dealer's License, or a Retail Bedding License. 2. If the applicant or provider intends to sell, or currently sells beds, a Retail Bedding Dealer's License, an Importer's License, a Furniture and Bedding Manufacturer's License, a Wholesale Furniture and Bedding Dealer's License, or a Retail Furniture and Bedding Dealer's License. 3. If the applicant or provider intends to sell, or currently sells wheelchairs, a Retail Furniture Dealer's License, an Importer's License, a Furniture and Bedding Manufacturer's License, a Wholesale Furniture and Bedding Dealer's License, a Custom Upholsterer's License, or a Retail Furniture and Bedding Dealer's License. (B) Licenses issued by the Board of Pharmacy entitled "Medical Device Retailer Original Certificate," and "Medical Device Retailer Original Exemptee Certificate," if the applicant or provider intends to provide, or currently provides, ostomy supplies, oxygen equipment and supplies, urinary catheters, bags, and related supplies. (6) Have written policies and/or procedures that ensures all the following: (A) Beneficiaries shall be advised that: 1. Medi-Cal may approve rental or purchase of durable medical equipment on behalf of the beneficiary. 2. Except for life support equipment, such as ventilators, when previously paid rental charges equal the maximum allowable purchase price of the rented item, the item is considered to have been purchased and no further reimbursement to the provider shall be made for the beneficiary's use of the item, unless repair and maintenance is separately authorized. (B) All warranties, expressed and implied, shall be honored and neither the beneficiary nor the Medi-Cal program shall be charged for the repair or replacement of Medi-Cal covered items or for services covered under warranty. (C) Beneficiaries shall be provided with necessary information and instructions on how to use items

safely and effectively. (D) Questions or complaints from beneficiaries about items that are sold or rented shall be responded to within 10 calendar days of the date the beneficiary contacts the provider. (E) Maintenance and/or repair of items shall be provided directly, or through a service contract with another company. (F) Returns of substandard or unsuitable items shall be accepted from beneficiaries. Substandard or unsuitable items shall be replaced by the provider at no additional cost to the beneficiary or the Medi-Cal program. For the purposes of this section only, the following shall apply: 1. A "substandard item" shall have the same meaning specified in Section 14043.1, Welfare and Institutions (W&I) Code. 2. An "unsuitable item" is an item that, when in actual use, does not meet the medical needs of the beneficiary when the beneficiary's medical condition has not significantly changed since the item was fitted or sold. (G) In addition to the written policies and procedures specified in (A) through (F), above, a durable medical equipment and medical supply applicant or provider who holds a license as a medical device retailer, or a medical device retailer exemptee, and provides dangerous drugs or dangerous devices, as defined in Section 4022, Business and Professions (B&P) Code, shall meet the standards specified in Section 4131, B&P Code, and have written policies and procedures that meet the requirements of Section 4132, B&P Code.

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Fill orders from its inventory or by contracting with other companies for the purchase of items necessary to fill the order. Items may be fabricated or fitted for sale only from supplies purchased under contract.

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Obtain and maintain all state and local licenses and permits necessary to provide the services, goods, supplies, or merchandise being provided, including but not limited to, the licenses specified below: (A) One or more of the licenses issued by the Bureau of Home Furnishings and Thermal Insulation of the Department of Consumer Affairs, as applicable to the applicant's or provider's business activity: 1. If the applicant or provider intends to rent or currently rents beds, a Sanitizer's License, a Furniture and Bedding Manufacturer's License, a Custom Upholsterer's License, a Retail Furniture and Bedding Dealer's License, or a Retail Bedding License. 2. If the applicant or provider intends to sell, or currently sells beds, a Retail Bedding Dealer's License, an Importer's License, a Furniture and Bedding Manufacturer's License, a Wholesale Furniture and Bedding Dealer's License, or a Retail Furniture and Bedding Dealer's License. 3. If the applicant or provider intends to sell, or currently sells wheelchairs, a Retail Furniture Dealer's License, an Importer's License, a Furniture and Bedding Manufacturer's License, a Wholesale Furniture and Bedding Dealer's License, a Custom Upholsterer's License, or a Retail Furniture and Bedding Dealer's License. (B) Licenses issued by the Board of Pharmacy entitled "Medical Device Retailer Original Certificate," and "Medical

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Have written policies and/or procedures that ensures all the following: (A) Beneficiaries shall be advised that: 1. Medi-Cal may approve rental or purchase of durable medical equipment on behalf of the beneficiary. 2. Except for life support equipment, such as ventilators, when previously paid rental charges equal the maximum allowable purchase price of the rented item, the item is considered to have been purchased and no further reimbursement to the provider shall be made for the beneficiary's use of the item, unless repair and maintenance is separately authorized. (B) All warranties, expressed and implied, shall be honored and neither the beneficiary nor the Medi-Cal program shall be charged for the repair or replacement of Medi-Cal covered items or for services covered under warranty. (C) Beneficiaries shall be provided with necessary information and instructions on how to use items safely and effectively. (D) Questions or complaints from beneficiaries about items that are sold or rented shall be responded to within 10 calendar days of the date the beneficiary contacts the provider. (E) Maintenance and/or repair of items shall be provided directly, or through a service contract with another company. (F) Returns of substandard or unsuitable items shall be accepted from beneficiaries. Substandard or unsuitable items shall be replaced by the provider at no additional cost to the beneficiary or the Medi-Cal program. For the

purposes of this section only, the following shall apply: 1. A "substandard item" shall have the same meaning specified in Section 14043.1, Welfare and Institutions (W&I) Code. 2. An "unsuitable item" is an item that, when in actual use, does not meet the medical needs of the beneficiary when the beneficiary's medical condition has not significantly changed since the item was fitted or sold. (G) In addition to the written policies and procedures specified in (A) through (F), above, a durable medical equipment and medical supply applicant or provider who holds a license as a medical device retailer, or a medical device retailer exemptee, and provides dangerous drugs or dangerous devices, as defined in Section 4022, Business and Professions (B&P) Code, shall meet the standards specified in Section 4131, B&P Code, and have written policies and procedures that meet the requirements of Section 4132, B&P Code.

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All warranties, expressed and implied, shall be honored and neither the beneficiary nor the Medi-Cal program shall be charged for the repair or replacement of Medi-Cal covered items or for services covered under warranty.

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Beneficiaries shall be provided with necessary information and instructions on how to use items safely and effectively.

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(b)

Consumer information, such as copies of warranties and product information, a copy of the written policies and/or procedures required by subsection (a)(6), above, and a copy of the participation standards specified in this Section shall be provided to each beneficiary to whom a Medi-Cal reimbursed item is provided.

(c)

Applicants and enrolled providers shall be subject to an onsite inspection, as permitted by Section 14043.37, W&I Code, or an unannounced visit, as permitted by Section 14043.7, W&I Code, to ensure the requirements of this section have been met.