

2005 Payment Rates for Stationary and Portable Oxygen Have Been Calculated

Section 302(c) of the Medicare Modernization Act (MMA) of 2003 mandates reductions in Medicare's monthly payment amounts for oxygen & oxygen equipment effective January 1, 2005. In accordance with section 302(c), the reductions are to be based on the percentage difference between Medicare's 2002 monthly payment amounts for each state and the median 2002 Federal Employee Health Benefit (FEHB) plan price reported by the Office of Inspector General (OIG), Department of Health and Human Services. As indicated previously on this website, the OIG needed to obtain additional information before the 2002 FEHB median plan prices for oxygen and oxygen equipment and portable oxygen equipment could be finalized. In the meantime, payment for claims for oxygen and oxygen equipment and portable oxygen equipment furnished on or after January 1, 2005, has been made using 2004 fee schedule amounts.

On March 30, 2005, the OIG issued a report with the final 2002 FEHB median plan prices for oxygen and oxygen equipment and portable oxygen equipment. The 2005 Medicare fee schedule amounts for oxygen and oxygen equipment and portable oxygen equipment have been calculated based on the information contained in the OIG report. These fee schedule amounts will be implemented by the Medicare contractors as soon as possible and by no later than April 8, 2005. All claims for oxygen and oxygen equipment and portable oxygen equipment furnished on or after January 1, 2005, that are received after the fees are implemented will be paid using the 2005 fee schedule amounts. Claims with dates of service on or after January 1, 2005, that were previously paid using the 2004 fee schedule amounts will not be retroactively adjusted.

The March 30, 2005 report can be found on the OIG web site at:

<http://www.oig.hhs.gov/oei/oeisearch.html>

The report can be found by doing a general search at this site using the term "home oxygen."

The 2005 Medicare monthly payment amounts range from \$194.48 to \$200.41 for stationary oxygen and from \$30.57 to \$32.08 for portable equipment. The payment amounts for each State are listed below.

State	Stationary Oxygen	Portable Add-on Fee
AK	\$200.40	\$32.08
AL	\$200.41	\$32.08
AR	\$200.41	\$32.07
AZ	\$194.48	\$32.07
CA	\$200.41	\$32.07
CO	\$198.01	\$30.57
CT	\$200.41	\$32.08
DC	\$200.41	\$32.07

DE	\$200.41	\$32.07
FL	\$200.39	\$32.07
GA	\$200.41	\$32.07
HI	\$200.39	\$32.08
IA	\$200.32	\$32.07
ID	\$200.41	\$32.08
IL	\$200.41	\$32.07
IN	\$200.41	\$32.07
KS	\$200.41	\$31.06
KY	\$200.41	\$30.57
LA	\$200.40	\$32.07
MA	\$200.41	\$32.07
MD	\$200.41	\$32.07
ME	\$200.41	\$32.07
MI	\$200.41	\$32.07
MN	\$194.48	\$30.57
MO	\$200.40	\$32.08
MS	\$195.33	\$30.57
MT	\$200.41	\$30.57
NC	\$200.39	\$30.57
ND	\$194.48	\$30.57
NE	\$200.40	\$32.07
NH	\$200.41	\$32.07
NJ	\$200.41	\$32.07
NM	\$200.40	\$32.07
NV	\$200.41	\$32.07
NY	\$200.41	\$32.07
OH	\$200.41	\$32.08
OK	\$198.45	\$31.42
OR	\$194.48	\$32.08
PA	\$200.41	\$32.07
PR	\$200.40	\$32.08
RI	\$194.48	\$32.08
SC	\$200.41	\$32.08
SD	\$194.48	\$30.57
TN	\$200.41	\$30.57
TX	\$200.41	\$32.07
UT	\$200.38	\$32.08
VA	\$200.41	\$32.07
VI	\$200.41	\$32.07
VT	\$200.39	\$32.07
WA	\$194.48	\$32.07
WI	\$200.41	\$32.07
WV	\$200.41	\$31.13
WY	\$195.73	\$30.57