

	Health Resources Division: Durable Medical Equipment Program
	Effective Date: 1/1/2026
	Subject: Coverage criteria for custom-made equipment, prosthetics, and orthotics

Custom-Made Equipment, Prosthetics, and Orthotics Coverage Criteria

1. Purpose

This policy outlines the coverage criteria for custom-made equipment, prosthetics, and orthotics.

2. Administrative Requirements for Coverage

- **Member Eligibility**
 - Providers are responsible for checking eligibility before an item is ordered or work has begun.
 - Eligibility verification should be documented in the member's record.
- **Date of Service**
 - The date the item is cast, molded, or fitted may be used as the date of service.
 - **Units of Service**
 - Only one unit of service may be billed per day unless allowed by applicable NCCI/MUE requirements.
 - When applicable, multiple units may be billed when medically necessary and correctly coded, for right and left devices.
 - **Applicable Coverage Policies**
 - When an applicable Medicare Local Coverage Determination (LCD), National Coverage Determination (NCD) Medicare policy article or other applicable coverage policy exists for the HCPCS code, the applicable coverage policy must be followed in addition to Montana Healthcare Programs requirements.

3. Documentation Requirements

Prior to billing all the following must be met:

- **Item Completion**
 - All work on the item must be fully completed.
- **Delivery Confirmation**
 - The member must have signed the delivery ticket.

4. Documentation Standards - MSRP Items

To be considered valid, all supporting documentation must be clearly labeled by the manufacturer of supplier as “MSRP” or “invoice”. Refer to [Coverage criteria MSRP reimbursement and documentation](#).

5. Authorization Requirements

Prior authorization is required if the item reimbursement is \$1,000.00 or greater, or if the MSRP is \$1,334.00 or greater, even if PA indicator on the Durable Medical Equipment Fee Schedule is "-".

[Submit prior authorization requests to Mountain Pacific, the Department's utilization review contractor, through the Qualitrac Portal.](#)

6. Reimbursement

The Durable Medical Equipment (DME) fee schedule includes specific items whose fee is based on the Manufacturer’s Suggested Retail Price (MSRP). In accordance with ARM 37.86.1807, the allowable fee is calculated at 75% of the provider’s usual and customary charge.

- When MSRP is available, the provider’s usual and customary charge must be MSRP.
- If an MSRP is unavailable, providers may submit their usual and customary (U&C) charges, provided the amount does not exceed 50% of the provider's acquisition cost.

Version History

Version Number	Revision Date	Summary Changes
1	N/A	None – Original posting.