

DME Place of Service 31 or 32

Purpose

This policy is intended to ensure correct provider reimbursement and serves only as a general resource regarding Molina Healthcare's reimbursement policy for the services described in this policy. It is not intended to address every aspect of a reimbursement situation, nor is it intended to impact care decisions. This policy was developed using nationally accepted industry standards and coding principles. In a conflict, federal and state guidelines, as applicable, and the member's benefit plans supersede the information in this policy. Also, to the extent of conflicts between this policy and the provider contract language, the Provider contract language will prevail. Coverage may be mandated by applicable legal requirements of a State, the Federal government or the Centers for Medicare and Medicaid Services (CMS). References included were accurate at the time of policy approval. If there is a state exception, please refer to the state exception table listed below.

Policy Overview

This policy pertains to CMS Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS), which is a Medicare program designed to provide essential medical equipment and supplies to individuals with disabilities. DMEPOS encompasses a wide range of items, including wheelchairs, hospital beds, oxygen equipment, and prosthetic devices.

When it comes to billing, it is crucial to correctly specify the place of service, and this policy addresses the use of Place of Service 31 and Place of Service 32:

- **Place of Service 31:** also known as a Skilled Nursing Facility, refers to a facility primarily focused on delivering inpatient skilled nursing care and related services to patients who require medical, nursing, or rehabilitative care. However, it does not offer the same level of care or treatment available in a hospital.
- **Place of Service 32: is used when a Nursing Facility serves as medical treatment.** It is also referred to as POS (Place of Service) 32 in Medical Billing. This code is utilized when medical procedures are performed in a nursing facility, and it is essential to indicate such claims with the Place of Service 32 code.

Reimbursement Guidelines

Please note that CMS Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) should be incorporated into the payment to a Skilled Nursing Facility (Place of Service 31) and Nursing Facility (Place of Service 32). When reported by a physician or other qualified healthcare professional on a CMS-1500 claim form, Molina Healthcare will not provide separate reimbursement for DMEPOS.

Supplemental Information

Definitions

| Term | Definition |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CMS | The Centers for Medicare & Medicaid Services. It is a federal agency within the United States Department of Health and Human Services that administers the Medicare program and works in partnership with state governments to administer Medicaid, the Children's Health Insurance Program (CHIP), and health insurance portability standards. |

State Exceptions

| State | Exception |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MI | Per Michigan Medicaid Provider Manual, Billing & Reimbursement for Professionals, Section 6.10.E. Place of Service Place of Service codes 31 and 32 are acceptable to report DMEPOS by Medical Suppliers. Billing & Reimbursement for Professionals, Section 6.10.E. Place of Service |

Documentation History

| Type | Date | Action |
|-----------------------|------------|------------------|
| Initial Creation Date | 09/08/2023 | New Policy |
| Revised Date | 12/12/2024 | Updated Template |
| Revised Date | 08/06/2025 | Updated Template |

References

References This policy was developed using:

- CMS
- State Medicaid Regulatory Guidance
- State Contracts

| Reference | Link |
|-----------|------|
| | |

***CODING DISCLAIMER.** Codes listed in this policy are for reference purposes only and may not be all-inclusive. Deleted codes and codes which are not effective at the time the service is rendered may not be eligible for reimbursement. Listing of a service or device code in this policy does guarantee coverage. Coverage is determined by the benefit document. Molina adheres to Current Procedural Terminology (CPT®), a registered trademark of the American Medical Association (AMA). All CPT codes and descriptions are copyrighted by the AMA; this information is included for informational purposes only.



Providers and facilities are expected to utilize industry standard coding practices for all submissions. When improper billing and coding is not followed, Molina has the right to reject/deny the claim and recover claim payment(s). Due to changing industry practices, Molina reserves the right to revise this policy as needed.