

Updated Guide to Home Oxygen Therapy Contract Renewal

**Assistive Devices Program
Ministry of Health**

ontario.ca/page/assistive-devices-program

Table of Contents

Table of Contents	2
Part 1: Introduction	4
100 Purpose of this Guide	4
105 Definitions	4
Part 2: Background	8
200 Assistive Devices Program (ADP).....	8
205 Home Oxygen Therapy	8
210 Remuneration for Home Oxygen Therapy	10
215 Regulation and Legislation	10
Part 2: Negotiations and Next Steps.....	12
300 Summary of Negotiations.....	12
305 Next Steps	12
Part 4: Home Oxygen Transition Guide for ADP-Registered Vendors.....	15
400 Introduction	15
405 Transition Rules re Billing and Invoicing.....	15
410 Transition Rules re Client Eligibility and Funding Periods.....	17
415 Transition Rules re Application Forms	22

Introduction

1

Part 1: Introduction

100 Purpose of this Guide

This Guide includes:

- Background information on the Assistive Devices Program's (ADP) Home Oxygen Therapy device category.
- Update on 2023 Home Oxygen Therapy negotiations.
- Transition guide

105 Definitions

Capitalized terms used in this Guide shall have the meaning associated with them as described below:

ADP means the Assistive Devices Program.

ADP-Registered Vendor means a person or entity that has met all registration requirements with the ADP for Home Oxygen Therapy and holds an executed Vendor Agreement with the ADP.

Applicant means an individual who applies to the ADP to request funding for Home Oxygen Therapy.

Client means an individual who applies to the ADP, satisfies eligibility requirements for Home Oxygen Therapy, and subsequently receives funding assistance from the ADP for Home Oxygen Therapy.

Community Care Access Centre (CCAC) now called Home and Community Care Support Services (HCCSS) means a local agency established by the Ministry of Health to coordinate services for seniors, people with disabilities or people who need health care services to live independently in their community.

Current Manual means the *Home Oxygen Therapy Policy and Administration Manual* dated July 2023.

Home Oxygen Therapy includes the oxygen, the Oxygen Delivery System(s), and the services necessary to maintain oxygen therapy in the home.

Manual(s) means, collectively, the Policies and Procedures Manual for the Assistive Devices Program, the relevant Policy and Administration Manual(s) published by the Ministry containing terms, conditions and polices in connection with the ADP-Registered Vendor's compliance with the ADP.

Ministry means the Ministry of Health.

New Manual means the updated *Home Oxygen Therapy Policy and Administration Manual* that will be taking effect on April 1, 2024.

Negotiations mean the individual and confidential pricing discussions between an interested party and the Ministry that occurred between September and December of 2023. Each interested party had their own discussions with the Ministry in isolation.

Oxygen Delivery System means concentrators (portable or stationary), compressed gas (cylinders), compressed gas (cylinders) with oxygen conserving devices, liquid oxygen systems and transfill oxygen systems.

Prescriber means a Physician, a Physician who is a respirologist or internist with an expertise in respiratory medicine, or a Nurse Practitioner.

Product Manual(s) means the manual(s) published by the Ministry which contain(s) a description of the Device(s) approved for funding under the ADP and prices where applicable.

Schedule B means Schedule "B" to the Vendor Agreement.

Vendor means any person or entity that provides Home Oxygen Therapy in Ontario.

Vendor Agreement means the document that outlines the terms and conditions that the Vendor must adhere to and, together with the Manuals, constitutes the contract between ADP and the ADP-Registered Vendor.

Background



Part 2: Background

200 Assistive Devices Program (ADP)

The Assistive Devices Program (ADP) provides support to Ontario seniors and people with long-term physical disabilities. The purpose of the ADP is to enable people with physical disabilities to increase their independence through access to assistive devices responsive to their individual needs.

The mandate of the ADP is to provide customer-centred support and funding to help Ontario residents access personalized assistive devices that meet their basic needs. The ADP also aims to provide Ontario residents with fair and affordable access to a range of devices and to provide ADP-Registered Vendors with a fair and predictable return on their investment.

The ADP provides funding for assistive devices such as wheelchairs, walkers, home oxygen devices, hearing aids, respiratory equipment, insulin pumps, orthotic devices, limb prostheses and ostomy supplies; a total of over 8,000 pieces of equipment and supplies for 19 types of devices assisting approximately 400,000 Ontarians each year.

205 Home Oxygen Therapy

The ADP provides funding assistance for Home Oxygen Therapy to residents of Ontario who have a medical need for oxygen therapy. Home Oxygen Therapy is delivered by an ADP-Registered Vendor, who loans an Oxygen Delivery System to the Client and provides the services necessary to ensure

that oxygen therapy and the Oxygen Delivery System is effective and used safely.

ADP-Registered Vendors for Home Oxygen Therapy must provide Clients with Home Oxygen Therapy in accordance with the policies and procedures outlined in the *Home Oxygen Therapy Policy and Administration Manual*, and the *Policies and Procedures Manual for the Assistive Devices Program*.

In its sole discretion, the Ministry may revise the *Home Oxygen Therapy Policy and Administration Manual* and the *Policies and Procedures Manual for the Assistive Devices Program* at any time.

The ADP began funding Home Oxygen Therapy in 1993. In FY 2022/2023, the ADP provided home oxygen funding for approximately 51,715 Clients totalling \$117M.

To receive funding for Home Oxygen Therapy, an Applicant must:

- meet the ADP's general and medical eligibility criteria; and
- agree to receive Home Oxygen Therapy from a person or entity that the Ministry has authorized to provide Home Oxygen Therapy to Clients.

Under the current funding model, the ADP provides funding for each month that a Client receives Home Oxygen Therapy. The ADP bases the amount of remuneration on a fixed daily/monthly rate for Clients in northern Ontario and a fixed daily/monthly rate for Clients in southern Ontario. Approximately 8% of ADP-funded Clients live in northern Ontario.

The ADP will pay 100% of the fixed monthly rate if the Client is:

- sixty- five (65) years of age or older; or
- sixty- four (64) years of age or younger and:
 - receiving social assistance (Ontario Works, Ontario Disability

Support Program or Assistance to Children with Severe Disabilities);

- o living in a long-term care home; or
- o receiving professional services from a Community Care Access Centre now called Home and Community Care Support Services.

For all other Clients, the ADP pays 75% of the monthly rate and the Client pays the remaining 25% portion.

210 Remuneration for Home Oxygen Therapy

The ADP provides funding for each day/month that a Client receives Home Oxygen Therapy. The current pricing schedule is set out in the *Home Oxygen Product Manual*.

The ADP's funding policies are set out in the *Home Oxygen Therapy Policy and Administration Manual* and the *Policies and Procedures Manual for the Assistive Devices Program*.

Updates to the *Home Oxygen Product Manual* and the *Home Oxygen Therapy Policy and Administration Manual* will be posted to the ADP website and implemented as of April 1, 2024.

215 Regulation and Legislation

The ADP is operated pursuant to the authority of the Ministry to enter into agreements for the provision of health services and equipment set out in paragraph 4 of subsection 6 (1) of the *Ministry of Health and Long-Term Care Act*, R.S.O. 1990, c. M. 26.

Negotiations and Next Steps



Part 2: Negotiations and Next Steps

300 Summary of Negotiations

On March 31, 2024, 11:59pm, the current registration period for ADP-Registered Home Oxygen Therapy Vendors will expire. This registration period began on April 1, 2017, and initially lasted for 5 years, but was subsequently extended for 2 additional years until March 31, 2024.

In August of 2023, the ADP issued an invitation to all current ADP-Registered Vendors for Home Oxygen Therapy, and to organizations not registered with the ADP as Vendors for Home Oxygen Therapy that wished to participate in the Negotiations and/or to join the ADP's Home Oxygen Therapy program based upon the outcomes of the Negotiations engaged in by other Vendors.

The Negotiations focused on the ADP's fixed prices under its new structure for the remuneration of ADP-Registered Vendors. The design of this new remuneration structure was outside of the scope of the Negotiations, as were the various changes made to the ADP's *Home Oxygen Therapy Policy and Administration Manual*. Only the fixed prices were the subject of the Negotiations.

305 Next Steps

Now that the Negotiations are complete, the ADP will communicate its new fixed remuneration price publicly. All Vendors will have an opportunity to review the new fixed prices, as well as the updated *Home Oxygen Therapy Policy and Administration Manual*.

Vendors who are currently registered and wish to continue their registrations with the ADP can expect a revised Schedule B to the vendor agreement by February 12, 2024, for the registration period beginning on April 1, 2024. Vendors that choose not to continue their registration are expected to inform the ADP in writing and ensure that their clients are transitioned to a new Vendor prior to April 1, 2024.

Vendors who are not currently registered but wish to become an ADP-registered home oxygen vendor effective April 1, 2024 can contact the Program at adp@ontario.ca on or after February 12, 2024.

More information will be posted to the ADP website on or before March 18, 2024 at [Assistive Devices Program for health care professionals | ontario.ca](https://www.ontario.ca/assistsive-devices-program-for-health-care-professionals)

Home Oxygen Transition Guide for ADP-Registered Vendors



Part 4: Home Oxygen Transition Guide for ADP-Registered Vendors

400 Introduction

This section of the Guide is intended to help ADP-Registered Vendors transition from the ADP's current Home Oxygen Therapy policies to the new policies effective April 1st, 2024.

For further details regarding the ADP's updated policies, please see the *Home Oxygen Therapy Policy and Administration Manual* (the "New Manual") that will be posted online.

405 Transition Rules re Billing and Invoicing

405.1 Billing rates, invoicing procedures, and services periods will not change prior to April 1st, 2024. All invoicing and billing up-to-and including March 31st, 2024, should be conducted according to existing practices.

405.2 If the Client's service start-date occurs on or after April 1st, 2024, ADP-Registered Vendors should invoice exclusively according to the rates and practices described in the New Manual.

405.2.1 The ADP will be switching from a blend of daily and monthly billing rates to daily billing only. Accordingly, starting on April 1st, 2024, ADP-Registered Vendors do not have to submit invoices monthly and can submit them as frequently or infrequently as they wish. Invoices need not start or end on the first or last day of the month.

405.2.2 There are two exceptions to rule 405.2.1:

405.2.2.1 ADP-Registered Vendors must not submit invoices for services that have yet to be provided. As is currently the case, ADP-Registered Vendors are only permitted to bill for services that have already been delivered.

405.2.2.2 Except in change-of-vendor scenarios, ADP-Registered Vendors must submit only one invoice covering the entire palliative oxygen therapy funding period, and only one invoice per short-term oxygen therapy funding period. (See sections 720 and 725 of the New Manual for details).

405.3 Where the Client began receiving Home Oxygen Therapy prior to April 1st, 2024, and continues to receive Home Oxygen Therapy on or after April 1st, 2024, the ADP-Registered Vendor must not submit invoices that include services provided both before and after April 1st, 2024. ADP-Registered Vendors must submit one invoice for services provided up-to-and-including March 31st, 2024 that reflects the ADP's billing practices and rates for that time period. A second invoice must be submitted for the services provided in the period beginning on April 1st, 2024, and must reflect the new billing practices and rates set out in the Manual effective as of April 1, 2024.

405.3.1 There are two exceptions to rule 405.3:

405.3.1.1 Where the Client is receiving palliative oxygen therapy and the ADP-Registered Vendor provides services to that Client both before and after April 1, 2024, the ADP-Registered Vendor must draft a single invoice for the entire service-period, which exclusively reflects the pre-transition billing practices and rates.

405.3.1.2 Where the Client is receiving short-term oxygen therapy and the ADP-Registered Vendor provides services to that Client both before and after April 1, 2024, the ADP-Registered Vendor must draft a single invoice for the

entire service-period, which exclusively reflects the pre-transition billing practices and rates.

405.4 To clarify the rule set out in the Manual, set-up fees are only available when:

- (a) the set-up occurred on or after April 1st, 2024; and
- (b) either:
 - (i) the Client is receiving Home Oxygen Therapy funding for the first time; or
 - (ii) the Client has previously received Home Oxygen Therapy funding, but that funding was discontinued more than one year prior to the date of the set-up.

410 Transition Rules re Client Eligibility and Funding Periods

410.1 Up to and including March 31, 2024, the rules in the ADP's *Home Oxygen Therapy Policy and Administration Manual* dated July 2023 (the "Current Manual") are exclusively applicable. All applications filed up-to and including March 31st, 2024, must be filed in accordance with, and will be assessed according to, the rules in the Current Manual.

410.2 All first-time applications (including applications that are the Client's first since having their therapy discontinued by their Prescriber, or the Client's first application after a gap in funding of greater than 90 days) filed on or after April 1st, 2024 must be filed in accordance with, and will be assessed according to, the rules in the New Manual.

410.3 The transition will have no impact on Clients who, at the time of the transition (11:59pm on March 31st, 2024), are already in the annual reassessment phase of their long-term oxygen therapy for resting hypoxemia, long-term oxygen therapy for exertional hypoxemia, or long-term oxygen therapy for children. These Clients will continue to receive Home Oxygen Therapy as long as they are re-assessed by their Prescriber annually, and the Prescriber continues to indicate that Home Oxygen Therapy is appropriate.

410.4 Where, at the time of transition (11:59pm on March 31st, 2024), the Client is in the midst of a 30-day, 60-day, 90-day, 9-month, or 12-month funding period, and has not yet reached the annual reassessment phase of their treatment, they must proceed according to rules 410.4.1 to 410.4.8 below:

410.4.1 If, at any time of that transition, the Client is in the midst of the 12-month funding period for long-term oxygen therapy for children, the transition will have no impact on them. Their funding will be renewed at the end of the 12-month funding period, as long as they are re-assessed by their Prescriber, and their Prescriber indicates that continued Home Oxygen Therapy is appropriate.

410.4.2 If, at the time of the transition, the Client is in the midst of the 60- or 30-day funding periods for short-term oxygen therapy, or the 90-day funding-period for palliative oxygen therapy, they must apply for their next desired funding period according to the rules in the New Manual.

410.4.3 If, at the time of the transition, the Client is in the midst of the 90-day funding period for long-term oxygen therapy for resting hypoxemia, they must apply for their next desired funding period, and all subsequent funding periods (if any), according to the rules in the New Manual. For example, they may apply to the 9-month funding period for resting hypoxemia (as set out in the New Manual), and, if approved, will enter the annual reassessment phase of their treatment after the completion of this funding period.

410.4.4 If, at the time of the transition, the Client is in the midst of the 9-month funding period for long-term oxygen therapy for resting hypoxemia, and they wish to continue receiving long-term oxygen therapy for resting hypoxemia, they will be treated as though the Current Manual is still in effect. They must apply for the 12-month funding period in the Current Manual and will be bound by all of the applicable criteria set out in the Current Manual for the remainder of this funding period. Once they complete this funding period, they will enter into the annual reassessment phase of their treatment. Alternately, the Client may apply to another category of Home Oxygen Therapy according to the rules in the New Manual.

410.4.5 If, at the time of the transition, the Client is in the midst of the 12-month funding period for long-term oxygen therapy for resting hypoxemia, they will transition to the annual reassessment phase of their treatment if they have been approved for, and complete, the 12-month funding period.

410.4.6 If, at the time of the transition, the Client is in the midst of the 90-day funding period for long-term oxygen therapy for exertional hypoxemia, and they wish to continue receiving long-term oxygen therapy for exertional hypoxemia, they will be treated as though the Current Manual is still in effect. They must apply for the 9-month and the 12-month funding periods in the Current Manual and will be bound by all of the applicable criteria set out in the Current Manual. Once they complete these funding periods, they will enter into the annual reassessment phase of their treatment. Alternately, the Client may apply to another category of Home Oxygen Therapy according to the rules in the New Manual.

410.4.7 If, at the time of the transition, the Client is in the midst of the 9-month funding period for long-term oxygen therapy for exertional hypoxemia, and they wish to continue receiving long-

term oxygen therapy for exertional hypoxemia, they will be treated as though the Current Manual is still in effect. They must apply for the 12-month funding period in the Current Manual and will be bound by all of the applicable criteria set out in the Current Manual. Once they complete this funding period, they will enter into the annual reassessment phase of their treatment. Alternately, the Client may apply to another category of Home Oxygen Therapy according to the rules in the New Manual.

410.4.8 If, at the time of the transition, the Client is in the midst of the 12-month funding period for long-term oxygen therapy for exertional hypoxemia, they will transition to the annual reassessment phase of their treatment if they have been approved for, and complete, the 12-month funding period.

410.4.9 When determining which funding-period the Client is "in the midst of" at the time of the transition (for the purposes of rules 410.4.1 to 410.4.8 above), ADP-Registered Vendors should determine which of the following three scenarios reflects the Client's circumstances, and follow the rule associated with the applicable scenario. Note that these scenarios, and their associated rules, exist solely for the purposes of determining which of rules 410.4.1 to 410.4.8 applies to a particular Client:

410.4.9.1 **Scenario 1** – This scenario will occur where:

(A) Prior to the transition [11:59pm on March 31st, 2024], the ADP-Registered Vendor has submitted an application for the Client's first-ever funding period, OR for the Client's first funding period since having Home Oxygen Therapy discontinued by their Prescriber, OR for the Client's first funding period since a gap in funding of greater than 90 days,

AND

- (B)** As of the transition [11:59pm on March 31st, 2024], the ADP-Registered Vendor has not yet received confirmation from the ADP that the Client has been approved for this funding period [which we will call funding period "X"].

Rule: In this scenario, for the purposes of rules 410.4.1 to 410.4.8 above, the Client is deemed to be in funding period "X" at the time of the transition.

Note: If the Client subsequently ends-up not being approved for funding-period "X", they may apply to an alternate available funding period under the rules in the New Manual.

410.4.9.2 **Scenario 2** – This scenario will occur where:

- (A)** Prior to the transition [11:59pm on March 31st, 2024], the ADP-Registered Vendor has received confirmation from the ADP that the Client has been approved for a funding period [which we will call funding period "X"],

AND

- (B)** The Client has not yet completed funding period "X" at the time of the transition [11:59pm on March 21st, 2024].

Rule: In this scenario, for the purposes of rules 410.4.1 to 410.4.8 above, the Client is deemed to be in funding period "X" at the time of the transition.

410.4.9.3 **Scenario 3** – This scenario will occur where:

- (A)** The Client's previous funding period [which we will call funding-period "X"] has elapsed prior to, or exactly on March 31st, 2024,

AND

- (B) The Client wishes to continue their Home Oxygen Therapy by starting a new funding period [which we will call funding period "Y"],

AND

- (C) As of the transition date [11:59pm on March 31st, 2024], the ADP-Registered Vendor has not yet received confirmation from the ADP that the Client has been approved for funding period "Y" [either because the application form has yet to be submitted, or because the application form has been submitted, but the ADP has yet to process it and publish the proof-of-confirmation].

Rule: In this scenario, for the purposes of rules 410.4.1 to 410.4.8 above, the Client is deemed to be in funding period "Y" at the time of the transition.

Note: If the Client subsequently ends-up not being approved for funding-period "Y", they may apply to an alternate available funding period under the rules in the New Manual.

415 Transition Rules re Application Forms

- 415.1 The ADP will release a new, consolidated, application form for Home Oxygen Therapy prior to April 1st, 2024 (the "New Application"). The two existing application forms, entitled "First Time Application for Funding Home Oxygen Therapy" and "Renewal of Funding Home Oxygen Therapy" (collectively, the "Old Application") must be employed up-to and including March 31st, 2024. Starting on April 1st, 2024, ADP-Registered Vendors must begin using the New Application.

- 415.1.1 There is one exception to rule 415.1 above. Between April 1st, 2024, and October 1st, 2024, the Old Application will be accepted if the Prescriber has already signed the Old Application and their signature is dated prior to April 1st, 2024.
- 415.1.2 ADP-Registered Vendors should be aware that the New Application will no longer have checkboxes for each specific funding period. Instead, ADP-Registered Vendors must select the desired type of Home Oxygen Therapy, and the ADP's system will determine the appropriate funding period without the need for a specific funding-period to be checked-off.
- 415.1.3 The ADP's vendor reports released every two weeks will provide details regarding each claim submitted. These reports will state the claim number, the device (example resting hypoxemia) for which they were approved, and the start- and end-dates for the claim (used to determine the funding period). If the claim is not approved, the reason will be provided via an error message.