DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

MLN Matters® Number: MM9904 **Related Change Request (CR) #: CR 9904**

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Related CR Transmittal #: R1797OTN **Implementation Date: October 2, 2017**

Guidance on Implementing System Edits for Certain Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS)

Provider Types Affected

This MLN Matters® Article is intended for physicians, providers, and suppliers submitting claims to Medicare Administrative Contractors (MACs), including Durable Medical Equipment MACs (DME/MACs), for services provided to Medicare beneficiaries.

Provider Action Needed

Change Request (CR) 9904 updates CR7333 and CR9371 and informs MACs about changes related to Section 302 of the Medicare Modernization Act of 2003 (MMA). Section 302 added a new paragraph to the Social Security Act (the Act), Section 1834(a)(20) requiring the Secretary to establish and implement quality standards for suppliers of DMEPOS.

All DMEPOS suppliers that furnish such items or services required in the new paragraph, as the Secretary determines appropriate, must comply with the quality standards in order to receive Medicare Part B payments and to retain a supplier billing number. The covered items and services are defined in the Act.

The Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) added a new subparagraph for implementing quality standards which state the Secretary shall require suppliers furnishing items and services on or after October 1, 2009, directly or as a subcontractor for another entity, to have submitted evidence of accreditation by an accreditation organization designated by the Secretary. Make sure that your billing staffs are aware of these changes.

Background

Pursuant to subparagraph 1834(a)(20)(D) of the Act, the covered items and services are defined in Section 1834(a)(13), Section 1834(h)(4), and Section 1842(s)(2) of the Act. The covered items include:

- DME
- Medical supplies
- Home dialysis supplies and equipment
- Therapeutic shoes
- Parenteral and enteral nutrient, equipment and supplies
- Transfusion medicine
- Devices, prosthetics, and orthotics

Section 154(b) of MIPPA added a new subparagraph (F) to Section 1834(a)(20) of the Act. In implementing quality standards under this paragraph, the Secretary shall require suppliers furnishing items and services on or after October 1, 2009, directly or as a subcontractor for another entity, to have submitted evidence of accreditation by an accreditation organization designated by the Secretary. This subparagraph states that eligible professionals and other persons (defined below) are exempt from meeting the ***September 30, 2009,*** accreditation deadline unless the Centers for Medicare & Medicaid Services (CMS) determines that the quality standards are specifically designed to apply to such professionals and persons. The eligible professionals who are exempt from meeting the September 30, 2009, accreditation deadline (as defined in Section 1848(k)(3)(B)) include the following practitioners:

- Physicians (as defined in Section 1861(r) of the Act)
- Physical Therapists
- Occupational Therapists
- Qualified Speech-Language Pathologists
- Physician Assistants
- Clinical Nurse Specialists
- Certified Registered Nurse Anesthetists
- Certified Nurse-Midwives
- Clinical Social Workers
- Clinical Psychologists
- Registered Dietitians
- Nutritional professionals

Section 154(b) of MIPPA allows the Secretary to specify “other persons” that are exempt from meeting the accreditation deadline unless CMS determines that the quality standards are specifically designed to apply to such other persons. At this time, “such other persons” are specifically defined as the following practitioners:

- Orthotists

- Prosthetists
- Opticians
- Audiologists

All supplier types (except those listed above) who furnish items and services requiring accreditation, directly or as a subcontractor for another entity, must have submitted evidence of accreditation by an accreditation organization designated by the Secretary on or after October 1, 2009.

Medicare systems will have edits to check for accreditation on claims with HCPCS codes in the product categories designated by MIPPA as requiring accreditation. The edits will deny claims for these codes unless the DMEPOS supplier has been identified as accredited and verified on their CMS-855S or the DMEPOS supplier is currently exempt from meeting the accreditation requirements. When claims are denied, MACs will provide Remittance Advice Remark Code N211 – "Alert: You may not appeal this decision" and Claim Adjustment Reason Code CO-B7 - "This provider was not certified/eligible to be paid for this procedure/service on this date of service. Note: Refer to the 835 Healthcare Policy Identification Segment (loop 2110 Service Payment Information REF), if present."

Additional Information

The official instruction, CR9904, issued to your MAC regarding this change is available at **https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2017Downloads/R1797OTN.pdf**.

If you have any questions, please contact your MAC at their toll-free number. That number is available at **https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Review-Contractor-Directory-Interactive-Map/**.