



DMEPOS COMPETITIVE BIDDING PROGRAM TRAVELING BENEFICIARY



The Hyperlink Table, at the end of this document, gives the complete URL for each hyperlink.

When a round of the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program (CBP) becomes effective, beneficiaries with Original Medicare who obtain competitively bid DMEPOS in a competitive bidding area (CBA) must use a competitive bidding contract supplier in order for Medicare to pay, unless an exception applies. This includes beneficiaries who do not permanently reside in a CBA but need competitively bid items while traveling to a CBA.

For CBP exceptions, refer to [42 Code of Federal Regulations \(CFR\) 414.408\(e\)\(2\)](#).

From January 1, 2021, thru December 31, 2023, the CBP will only be in effect for off-the-shelf (OTS) back and knee braces, so the guidance in this fact sheet only applies to these items during this time.

Three important CBP rules to know when a beneficiary needs an OTS back or knee brace while traveling are:

1. **Medicare payment is always based on the beneficiary’s permanent residence.**
2. **Which supplier may furnish the OTS back or knee brace is determined based on where the beneficiary purchases the item.**
3. **The supplier that provides the OTS back or knee brace to the Medicare beneficiary must accept assignment (i.e., accept Medicare payment as payment in full) unless the beneficiary’s permanent residence is not in a CBA and the beneficiary travels to an area that is not a CBA.**

The permanent residence is the address on file with the Social Security Administration (SSA). It is the address to which the SSA mails checks and/or correspondence to the beneficiary.

To determine if a beneficiary is in a CBA, go to <http://www.dmecompetitivebid.com>, select “Tools” at the top of the page, then select “Find a CBA” and enter the ZIP Code. You may also call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

The following Healthcare Common Procedure Coding System (HCPCS) codes are used to bill for OTS back braces: L0450, L0455, L0457, L0467, L0469, L0621, L0623, L0625, L0628, L0641, L0642, L0643, L0648, L0649, L0650, and L0651.

The following HCPCS codes are used to bill for OTS knee braces: L1812, L1830, L1833, L1836, L1850, L1851, and L1852.

Table 1. DMEPOS Competitive Bidding: Traveling Beneficiary Policy

If a beneficiary travels to...	Medicare will pay for competitively bid items furnished by...
An area included in the CBP (a CBA)	A contract supplier for that area unless an exception applies
An area not included in the CBP	Any Medicare-approved supplier

Suppliers must affix the HCPCS modifier “**KT**” to claims for OTS back or knee braces that are furnished to beneficiaries who permanently reside in a CBA and need a competitively bid item when they travel outside of the CBA where they reside.

NOTE: Suppliers that are not contracted with Medicare to furnish OTS back or knee braces for the CBA and inappropriately use the **KT** modifier on a claim for a competitively bid item may be subject to penalties under the False Claims Act.

EXAMPLES

Beneficiary Permanently Resides Within a CBA

Scenario 1: Traveling to another CBA

- The beneficiary's permanent residence is in a CBA.
- The beneficiary travels to another CBA.
- The beneficiary must obtain the OTS back or knee brace from a contract supplier for that other CBA.

Example – Nell permanently resides in Charlotte, North Carolina (NC), which is in a CBA. She travels to Phoenix, Arizona (AZ), another CBA. Nell sees a physician in Phoenix about recent back pain and the physician prescribes an OTS back brace that she will begin using while she is temporarily living in Phoenix, AZ. Nell must obtain the brace from a contract supplier for Phoenix, AZ, and the supplier must affix the **KT** modifier to the claim. The contract supplier will be paid the single payment amount (SPA) for the brace in the Charlotte, NC CBA where the beneficiary permanently resides. The contract supplier must accept assignment of the claim for the brace.

Scenario 2: Traveling to an area that is not a CBA

- The beneficiary's permanent residence is in a CBA.
- The beneficiary travels to an area that is NOT in a CBA.
- The beneficiary needs an OTS back or knee brace while he or she is visiting that non-CBA.
- The beneficiary may obtain the OTS back or knee brace from any Medicare-enrolled supplier that is accredited under Medicare to furnish OTS braces or orthotics.

Example – Nell permanently resides in Charlotte, NC, which is a CBA, and travels to Nome, Alaska (AK), which is not in a CBA. While there, Nell sees a physician in Nome about trouble she has been having with walking due to a recent injury and the physician prescribes an OTS knee brace that she will begin using while she is temporarily living in Nome. She may obtain the brace from any Medicare-enrolled supplier in Nome, AK, that is accredited under Medicare to furnish OTS braces or orthotics and the supplier must affix the **KT** modifier to the claim. The supplier in Nome, AK will be paid the SPA for the brace in the CBA of Charlotte, NC, where Nell permanently resides. The supplier must accept assignment of the claim for the brace.

Beneficiary Permanently Resides Outside a CBA

Scenario 1: Traveling to a CBA

- The beneficiary's permanent residence is NOT in a CBA.
- The beneficiary travels to a CBA.
- The beneficiary needs an OTS back or knee brace while he or she is visiting that CBA.
- The beneficiary must obtain the OTS back or knee brace from a contract supplier for the CBA where he or she is visiting.

Example – John travels to Las Vegas, Nevada (NV), which is a CBA, from his home in Butte, Montana (MT), which is not in a CBA. John sees a physician in Las Vegas about recent back pain and the physician prescribes an OTS back brace that he will begin using while he is temporarily living in the Las Vegas, NV CBA. He must obtain the brace from a contract supplier for Las Vegas, NV.

The contract supplier in Las Vegas, NV will be paid the fee schedule amount for MT where the beneficiary permanently resides. The contract supplier must accept assignment of the claim for the brace.

Scenario 2: Not Traveling to a CBA

- The beneficiary's permanent residence is NOT in a CBA.
- The beneficiary travels to an area that is NOT in a CBA.
- The beneficiary needs an OTS back or knee brace while he or she is visiting that new area.
- The beneficiary may obtain the brace from any Medicare-enrolled supplier that is accredited under Medicare to furnish OTS braces or orthotics.

Example – Bill is from Bismarck, North Dakota (ND), which is not in a CBA. He travels to Pierre, South Dakota (SD), which is also not in a CBA, and sees a physician in Pierre about recent back pain and the physician prescribes an OTS back brace that he will begin using while he is temporarily living in Pierre. He may obtain the brace from any Medicare-enrolled supplier in Pierre, SD that is accredited under Medicare to furnish OTS braces or orthotics.

The supplier in SD will be paid the fee schedule amount for the state where the beneficiary permanently resides.

Beneficiary Permanently Resides in a CBA and Does Not Travel Outside the CBA

- The beneficiary's permanent residence is in a CBA.
- The beneficiary needs an OTS back or knee brace.
- The beneficiary must obtain the OTS back or knee brace from a supplier that is contracted to furnish OTS back or knee braces in the CBA, unless the beneficiary is receiving the brace from a supplier under a special exception for physicians, hospital outpatient departments, physical therapists, or occupational therapists. Information regarding these special exemptions can be found at:
 - [Hospitals That Are Not Contract Suppliers](#)
 - [Physicians and Other Treating Practitioners, Physical Therapists, and Occupational Therapists](#)

Example – Nell permanently resides in Charlotte, NC, which is a CBA, and her physician prescribes an OTS back or knee brace. Nell drives to a supplier located in a county that is next to the Charlotte, NC CBA, but is not included in the Charlotte, NC CBA to receive the brace. Nell is not traveling outside the CBA in this example because she is picking up the brace and taking it back home to use it in the CBA where she resides. Under this scenario, the supplier must either be a contract supplier for the Charlotte, NC CBA or one of the special exception suppliers as described in the fact sheet at the link above. In any scenario where a beneficiary who lives in a CBA and does not need an OTS back or knee brace for use in an area where they are temporarily residing outside the CBA, the beneficiary must receive the brace from a contract supplier or a under one of the special exceptions.

RESOURCES

Table 2. DMEPOS CBP Resources

Resource	Website
DMEPOS Competitive Bidding Program	CMS.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSCompetitiveBid
Beneficiary-Related Information	Medicare.gov
Competitive Bidding Implementation Contractor	DMEcompetitivebid.com/cbic/cbic2021.nsf/DocsCat/Home

Table 3. Hyperlink Table

Embedded Hyperlink	Complete URL
42 Code of Federal Regulations (CFR) 414.408(e)(2)	https://www.ecfr.gov/cgi-bin/text-idx?SID=19573cdc386b71e65d668986a8e0cd1f&mc=true&node=se42.3.414_1408&rqn=div8
Hospitals That Are Not Contract Suppliers	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/DMEHospitals_Not_Contract_Suppliers_Factsheet_ICN905463.pdf
Physicians and Other Treating Practitioners, Physical Therapists, and Occupational Therapists	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/DME_Physicians_Other_Pract_Factsheet_ICN900926.pdf

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