

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 4478	Date: December 20, 2019
	Change Request 11554

SUBJECT: Manual Update to Publication (Pub.) 100-04, Chapter 20, to Revise the Subsection 10 - Where to Bill Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) and Parenteral and Enteral Nutrition (PEN) Items and Services

I. SUMMARY OF CHANGES: This Change Request (CR) updates the Internet Only Manual with previously published instructions from CR 5917 Claims Jurisdiction and Enrollment Procedures for Suppliers of Certain Prosthetics, Durable Medical Equipment (DME) and Replacement Parts, Accessories and Supplies (Transmittal 1603, September 26, 2008) and CR 6573 Additional Instructions on Processing Claims for Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Items Submitted Under the Guidelines Established in Change Request 5917 (Transmittal 531, August 14, 2009).

EFFECTIVE DATE: March 23, 2020

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: March 23, 2020

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	20/ 10/ Where to Bill DMEPOS and PEN Items and Services

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

**Business Requirements
Manual Instruction**

Attachment - Business Requirements

Pub. 100-04	Transmittal: 4478	Date: December 20, 2019	Change Request: 11554
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I. GENERAL INFORMATION

A. Background: This Change Request (CR) updates the Internet Only Manual with previously published instructions from CR 5917 Claims Jurisdiction and Enrollment Procedures for Suppliers of Certain Prosthetics, Durable Medical Equipment (DME) and Replacement Parts, Accessories and Supplies (Transmittal 1603, September 26, 2008) and CR 6573 Additional Instructions on Processing Claims for Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Items Submitted Under the Guidelines Established in Change Request (CR) 5917 (Transmittal 531, August 14, 2009).

B. Policy: No policy changes.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared- System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
11554.1	Contractors shall be in compliance with the updates to CMS Internet Only Manual (IOM) Publication 100-04, Chapter 20- Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS), subsection, 10	X	X	X	X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E	C E D I
		A	B	H H H		
11554.2	MLN Article: CMS will make available an MLN Matters provider education article that will be marketed through the MLN Connects weekly newsletter shortly after the CR is released. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1, instructions for distributing MLN Connects information to providers, posting the article or a direct link to the article on your website, and including the article or a direct link to the article in your bulletin or newsletter. You may supplement MLN Matters articles with localized information benefiting your provider community in billing and administering the Medicare program correctly. Subscribe to the "MLN Matters" listserv to get article release notifications, or review them in the MLN Connects weekly newsletter.	X	X	X	X	

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Bobbett Plummer, 410-786-3321 or bobbett.plummer@cms.hhs.gov (For Claims Processing Questions)

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0

Medicare Claims Processing Manual

Chapter 20 - Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)

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(Rev. 4478; Issued: 12-20-2019)

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10 - Where to Bill DMEPOS and PEN Items and Services

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(Rev. 4478; Issued: 12-20-2019; Effective: 03-23-20; Implementation: 03-23-20)

Skilled Nursing Facilities, CORFs, OPTs, and hospitals bill the A/B MAC *Part A* for prosthetic/orthotic devices, supplies, and covered outpatient DME and oxygen (refer to §40). The HHAs should bill Durable Medical Equipment (DME) to the A/B MAC (HHH), or should meet the requirements of a DME supplier and bill the DME MAC. This is the HHA's decision. A/B MACs *Part A* other than A/B MACs (HHH) will receive claims only for the class "Prosthetic and Orthotic Devices."

Unless billing to the A/B MAC *Part A* is required as outlined in the preceding paragraph, claims for implanted DME, implanted prosthetic devices, replacement parts, accessories and supplies for the implanted DME *shall* be billed to the A/B MACs *Part B* and not the DME MAC.

Suppliers enrolled with the NSC as a DMEPOS supplier should enroll with and bill to the A/B MAC Part B for replacement parts, accessories and supplies for prosthetic implants and surgically implanted DME items that are not required to be billed to the A/B MAC Part A as stated above. Such suppliers should bill the A/B MAC Part B for these items only, unless the entity separately qualified as a supplier for items and/or services in another benefit category.

Suppliers that enroll with the NSC as a DMEPOS supplier shall bill the A/B MAC Part B using their NPI and shall not include their NSC number on the claim.

Under no circumstances should any entity that is enrolled as a DMEPOS supplier with the NSC, that is not the physician or provider that implants the device, bill the A/B MAC Part B for an implanted device. However, DMEPOS suppliers should bill for any of the replacement parts, accessories or supplies for prosthetic implants and surgically implanted DME.

The claims filing jurisdiction for these items is determined by the supplier's location, in accordance with Pub. 100-04, Medicare Claims Processing Manual, chapter 1, section 10. With respect to payment for these items, contractors are reminded of the longstanding policy for payment of DMEPOS items, which specifies that payment for DMEPOS is based on the fee schedule amount for the State where the beneficiary maintains his/her permanent residence.

The Healthcare Common Procedure Coding System (HCPCS) codes that describe these categories of service are updated annually in late spring. All other DMEPOS items are billed to the DME MAC. See the Medicare Claims Processing Manual, Chapter 23, §20.3 for additional information. *A spreadsheet containing an updated list of HCPCS for DME MAC and B MAC jurisdiction is updated annually and posted at the following website: <https://www.cms.gov/Center/Provider-Type/Durable-Medical-Equipment-DME-Center.html>.*

Parenteral and enteral nutrition, and related accessories and supplies, are covered under the Medicare program as a prosthetic device. See the Medicare Benefit Policy Manual, Chapter 15, for a description of the policy. All Parenteral and Enteral (PEN) services furnished under Part B are billed to the DME MAC. If a provider ([see §01](#)) provides PEN items under Part B it shall qualify for and receive a supplier number and bill as a supplier. Note that some PEN items furnished to hospital and SNF inpatients are included in the Part A PPS rate and are not separately billable. (If a service is paid under Part A it should not also be paid under Part B.)