CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1368	Date: NOVEMBER 2,2007
	Change Request 5771

SUBJECT: Reporting an NPI and the "EY" Modifier on Claims for DMEPOS Items Dispensed Without a Physician's Order to Obtain a Medicare Denial for Coordination of Benefits (COB)

I. SUMMARY OF CHANGES: Effective for claims with dates of service on or after May 23, 2008, suppliers billing for DMEPOS items dispensed without a physician's order to secure a Medicare denial for COB purposes shall use the modifier "EY" (no physician or other licensed health care provider order for this item of service) and report their own name and NPI in the Ordering/Referring Provider Name fields of the claim. If the supplier has obtained a physician's order for some, but not all, of the items provided to a particular beneficiary, the supplier must submit a separate claim for the items dispensed without a physician's order.

NEW / REVISED MATERIAL
EFFECTIVE DATE: *May 23, 2008
IMPLEMENTATION DATE: April 7, 2008

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
N	20/100.4/Reporting the Ordering/Referring NPI on Claims for DMEPOS Items Dispensed Without a Physician's Order

III. FUNDING:
SECTION A: For Fiscal Intermediaries and Carriers:
No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

SECTION B: 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

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

Attachment - Business Requirements

Pub. 100-04	Transmittal: 1368	Date: November 2, 2007	Change Request: 5771

SUBJECT: Reporting an NPI and the "EY" Modifier on Claims for DMEPOS Items Dispensed Without a Physician's Order to Obtain a Medicare Denial for Coordination of Benefits (COB)

EFFECTIVE DATE: May 23, 2008

IMPLEMENTATION DATE: April 7, 2008

I.   GENERAL INFORMATION

A.   Background: : Chapter 5, section 5.2.1 of the Medicare Program Integrity Manual (PIM), Publication 100-08 states that a supplier must have an order (prescription) from the treating physician prior to dispensing any Durable Medical Equipment Prosthetic, and Orthotic Supplies (DMEPOS) item to a beneficiary and must keep the prescription for the item on file. However, although Medicare requires a physician's order for payment of all DMEPOS items, not all secondary insurers maintain a similar requirement.

CMS instituted modifier "EY" (no physician or other licensed health care provider order for this item or service) to allow DMEPOS suppliers to submit claims to Medicare for items without a prescription. Since there is no physician or provider information to report on claims for these items, the "EY" modifier is used in conjunction with a surrogate Unique Physician Identification Number (UPIN) in the ordering/referring provider name fields of the claim. This protocol was adopted so that suppliers could obtain a Medicare denial that could be sent to a secondary insurer for coordination of benefits (COB) purposes.

In accordance with the National Provider Identifier (NPI) final rule, when an identifier is reported on a claim for the ordering/referring provider, i.e., any provider that is not a billing, pay-to or rendering provider, that identifier must be an NPI (See 45 CFR Part 162, CMS- 045-F). For Medicare purposes this means that submission of an NPI for an ordering/referring provider is mandatory, effective May 23, 2008, and legacy numbers may not be reported on any claims sent to Medicare as of this date. Therefore, Medicare will discontinue the use of all surrogate values on claims with dates of service on or after May 23, 2008.

This instruction provides guidelines for reporting an NPI on claims for DMEPOS items dispensed without a physician's order to obtain a Medicare denial for coordination of benefit (COB) purposes, effective for claims with dates of receipt on or after May 23, 2008.

B.   Policy: Effective for claims with dates of receipt on or after May 23, 2008, suppliers billing for DMEPOS items dispensed without a physician's order to secure a Medicare denial for COB purposes shall use the modifier "EY" (no physician or other licensed health care provider order for this item of service) and report their own name and NPI in the "Ordering/Referring Provider Name" fields of the claim. If the supplier has obtained a physician's order for some, but not all, of the items provided to a particular beneficiary, the supplier must submit a separate claim for the items dispensed without a physician's order.

II.   BUSINESS REQUIREMENTS TABLE

Use "Shall" to denote a mandatory requirement

Number	Requirement	A/B MAC	DME MAC	FI	CARRIER	RHHI	FISS	MCS	VMS	CWF	OTHER
							Shared-System Maintainers				
5771.1	Contractors shall accept the supplier's own name and NPI in the "ordering/referring provider name" fields of the claim for DMEPOS items billed with the "EY" modifier, effective for claims with dates of receipt on or after May 23, 2008.	X							X		
5771.1.1	For paper claims, the supplier's name shall be submitted in item 17 and the supplier's NPI shall be submitted in item 17b of the CMS-1500 claim form, version 08-05.	X							X		
5771.1.2	For electronic claims, the supplier's name and NPI shall be submitted in the 2420E (ordering provider name) loop of the ASC X12N 837 professional claim format.	X							X		
5771.2	Effective May 23, 2008, contractors shall deny the claim for COB purposes when the supplier's name and NPI are present in the ordering/referring provider name fields of the claim and the "EY" modifier is attached to each line item billed on the claim.	X							X		
5771.3	For claims billed with the "EY"modifier, contractors shall Return as Unprocessable any multiple-line item claim received on or after May 23, 2008 when the "EY" modifier is not present on all lines.	X							X		
5771.3.1	Contractors shall use the following Reason Code for claims returned as unprocessable: **Reason Code 4:** The procedure code is inconsistent with the modifier used or a required modifier is missing.	X							X		
5771.4	The Shared System shall code DME MAC-controlled effective date logic for full NPI implementation to be flexible.	X							X		

III.   PROVIDER EDUCATION TABLE

Number	Requirement	A/B MAC	DME MAC	FI	CARRIER	RHHI	Shared-System Maintainers		OTHER

					F I S S	M C S	V M S	C W F	
5771.5	A provider education article related to this instruction will be available at http://www.cms.hhs.gov/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within one week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare.	X								

IV.   SUPPORTING INFORMATION

A. For any recommendations and supporting information associated with listed requirements, use the box below:
Use "Should" to denote a recommendation.

X-Ref Requireme nt Number	Recommendations or other supporting information:

B. For all other recommendations and supporting information, use this space:

V. CONTACTS

Pre-Implementation Contact(s): Tracey Hemphill, Tracey.Hemphill@cms.hhs.gov or (410) 786-7169

Post-Implementation Contact(s): Tracey Hemphill, Tracey.Hemphill@cms.hhs.gov or (410) 786-7169

VI. FUNDING

A. For *Fiscal Intermediaries and Carriers,* use only one of the following statements:
No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

B. *For Medicare Administrative Contractors (MACs)*, use the following statement:

The contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the Statement of Work (SOW). 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.

100.4 Reporting the Ordering/Referring NPI on Claims for DMEPOS Items Dispensed Without a Physician's Order
(Rev. 1368: Issued: 11-02-07; Effective: 05-23-08; Implementation: 04-07-08)

Chapter 5, section 5.2.1 of the Medicare Program Integrity Manual (PIM) states that, in order for Medicare to make payment for an item of Durable Medical Equipment Prosthetic, and Orthotic Supplies (DMEPOS), the DMEPOS supplier must obtain a prescription from the treating physician. However, not all secondary insurers maintain a similar requirement.

For Coordination of Benefit purposes, DMEPOS suppliers shall use the modifier EY (no physician or other licensed health care provider order for this item or service) and report their own name and National Provider Identifier (NPI) in the "Ordering/Referring Provider Name" fields on claims submitted on or after May 23, 2008 to secure a Medicare denial.

If the supplier has obtained a physician order for some, but not all, of the items provided to a particular beneficiary, the supplier must submit a separate claim for the items with no physician order.