

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-08 Medicare Program Integrity</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 598</b>	<b>Date: June 12, 2015</b>
	<b>Change Request 9194</b>

**SUBJECT: Proof and Date of Delivery**

**I. SUMMARY OF CHANGES:** The intent of this Change Request (CR) is to provide the Durable Medical Equipment (DME) Medicare Administrative Contractors (MACs) the instruction of who can fill out the date of delivery on the proof of delivery.

**EFFECTIVE DATE: July 13, 2015**

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

**IMPLEMENTATION DATE: July 13, 2015**

*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/revise 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.

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
R	5/5.8/Supplier Documentation

**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. 100-08	Transmittal: 598	Date: June 12, 2015	Change Request: 9194
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## I. GENERAL INFORMATION

**A. Background:** This CR provides instruction to the DME MACs as to who can fill in the date of delivery on the proof of delivery. This CR also provides instruction that the DME MACs shall not deny claims where the date of delivery is not filled in by the beneficiary or the designee but has been filled in by the supplier.

**B. Policy:** The proof of delivery must have a date of delivery on the delivery ticket.

## II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
9194.1	The contractor shall ensure that the delivery ticket contains the date on which the Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) were delivered.				X					
9194.2	The contractor shall ensure that the date of delivery is entered by the beneficiary, designee, or supplier.				X					
9194.3	The contractor shall not deny claims in which the date of delivery was completed by the supplier instead of the beneficiary or the designee.				X					CERT, SMRC

## III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility		
		A/B MAC	DME MAC	CEDI

		A	B	HHH		
	None					

**IV. SUPPORTING INFORMATION**

**Section A: Recommendations and supporting information associated with listed requirements:**

*"Should" denotes a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:
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**Section B: All other recommendations and supporting information: N/A**

**V. CONTACTS**

**Pre-Implementation Contact(s):** Debbie Skinner, 410-786-7480 or Debbie.Skinner@cms.hhs.gov

**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**

## **5.8 - Supplier Documentation**

*(Rev.598, Issued: 06- 12-15, Effective: 07-13-15, Implementation: 07-13-15)*

### **A. General**

Before submitting a claim to the DME MAC the supplier must have on file a dispensing order, the detailed written order, the CMN (if applicable), the DIF (if applicable), information from the treating physician concerning the patient's diagnosis, and any information required for the use of specific modifiers or attestation statements as defined in certain DME MAC policies. The supplier should also obtain as much documentation from the patient's medical record as they determine they need to assure themselves that coverage criteria for an item have been met. If the information in the patient's medical record does not adequately support the medical necessity for the item, the supplier is liable for the dollar amount involved unless a properly executed ABN of possible denial has been obtained.

Documentation must be maintained in the supplier's files for seven (7) years from date of service.

### **B. Proof of Delivery**

Suppliers are required to maintain proof of delivery documentation in their files. *For the purpose of the proof of delivery noted below, **designee** is defined as:*

*“Any person who can sign and accept the delivery of DMEPOS items on behalf of the beneficiary.”*

*Suppliers may deliver DMEPOS items directly to the beneficiary or the designee. The delivery ticket must be signed by the beneficiary or the designee upon delivery. The delivery ticket must also contain the date on which the DMEPOS item was delivered. The date of delivery may be entered by the beneficiary, designee, or supplier. The contractor shall not deny claims in which the date of delivery was completed by the supplier instead of the beneficiary or the designee. The date that the beneficiary received the DMEPOS supply shall be the date of service on the claim.*

### **C. Proof of Delivery-*Methods***

*The proof of delivery requirements are outlined below according to the method of delivery. The three methods of delivery are:*

- Supplier delivering directly to the beneficiary or designee;*
- Supplier utilizing a delivery/shipping service to deliver items; and*
- Delivery of items to a nursing facility on behalf of the beneficiary.*

### **D. Proof of Delivery-*Availability***

*Proof of delivery documentation must be available to the DME MAC, Recovery Auditor, CERT and ZPIC on request. All items that do not have appropriate proof of delivery from the supplier will be denied and overpayments will be requested. Suppliers who consistently do not provide documentation to support their services may be referred to the OIG for imposition of CMPs or Administrative Sanctions.*

### **E. Proof of Delivery for Recently Eligible Medicare FFS Beneficiaries**

*Medicare does not automatically assume payment for a DMEPOS item that was covered prior to a beneficiary becoming eligible for the Medicare FFS program. When a beneficiary receiving a DMEPOS item from another payer becomes eligible for the Medicare FFS program, the beneficiary may continue to receive such items only if Medicare requirements are met for such DMEPOS items. The DME MAC shall educate the supplier community that the supplier must submit an initial or new claim for the item and the*

*necessary documentation to support Medicare payment upon request to the DME MAC even if there is no change in the beneficiary's medical condition. The proof of delivery serves as evidence that the beneficiary is already in possession of the item. The beneficiary's signature is required on the proof of delivery. A date of delivery must be noted by the supplier, beneficiary, or designee. The first day of the first rental month in which Medicare payments are made for the item serves as the start date of the reasonable useful lifetime and period of continuous use. The DME MAC shall consider the proof of delivery requirements met for this type of beneficiary by instructing the supplier to obtain a statement, signed and dated by the beneficiary (or beneficiary's designee), that the supplier has examined the item. The DME MAC shall educate the supplier that the supplier must also attest to the fact that the item meets Medicare requirements.*