

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 719	Date: June 11, 2010
	Change Request 6970

SUBJECT: Reprocessing of Claims for Certain Replacement Parts, Accessories, or Supplies for Prosthetic Implants and Surgically Implanted Durable Medical Equipment (DME) with Dates of Service of October 27th, 2008 through December 31, 2009

I. SUMMARY OF CHANGES: CMS issued Change Request (CR) 6573, Transmittal 531 on August 14, 2009. This CR included a list of HCPCS codes that could be billed as a replacement part, accessory, or supply for prosthetic implants and surgically implanted DME according to guidelines established by CR 5917. However, CR 6573 did not include instructions to process these HCPCS codes under the guidelines of CR 5917 until January 1, 2010. This CR instructs the contractors to reprocess claims with dates of service October 27, 2008 through December 31, 2009 containing the HCPCS codes found in the Attachment to CRs 6573 and 6914, using the guidelines established by CRs 5917 and 6573.

EFFECTIVE DATE: October 27, 2008

IMPLEMENTATION DATE: October 4, 2010

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/A	

III. FUNDING:

For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

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:

One-Time Notification

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

Attachment – One-Time Notification

Pub. 100-20	Transmittal: 719	Date: June 11, 2010	Change Request: 6970
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SUBJECT: Reprocessing of Claims for Certain Replacement Parts, Accessories, or Supplies for Prosthetic Implants and Surgically Implanted Durable Medical Equipment (DME) with Dates of Service of October 27, 2008 through December 31, 2009

Effective Date: October 27, 2008

Implementation Date: October 4, 2010

I. GENERAL INFORMATION

A. Background: Change Request (CR) 5917, Transmittal 1603, issued on September 26, 2008, “Claims Jurisdiction and Enrollment Procedures for Suppliers of Certain Prosthetics, Durable Medical Equipment (DME) and Replacement Parts, Accessories and Supplies”, communicated that entities enrolled with the National Supplier Clearinghouse (NSC) as a Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) supplier may enroll with and bill to the carrier/A/B Medicare Administrative Contractor (MAC) replacement parts, accessories and supplies for prosthetics implants and surgically implanted DME items that are not required to be billed to the intermediary. Included with CR 5917 was an excerpt of the 2008 annual jurisdiction list containing Healthcare Common Procedure Coding System (HCPCS) codes, which CMS instructed at the time may be billed to the carrier/MAC as a replacement part, accessory or supply for prosthetic implants and surgically implanted DME.

CR 6573, Transmittal 531, issued on August 14, 2009, clarified the claims filing jurisdiction and payment policies for DMEPOS items submitted under the guidelines established in CR 5917. This instruction also provided an updated list of HCPCS codes that may be billed as a replacement part, accessory, or supply for prosthetic implants and surgically implanted DME, under these guidelines. CR 6573 was effective for DMEPOS claims with dates of service on and after January 1, 2010.

This CR instructs the contractors to reprocess claims with dates of service of October 27, 2008 through December 31, 2009 containing the HCPCS codes found in Attachment A of CR 6573 and CR 6914, using the guidelines established by CR 5917 and 6573.

B. Policy: Contractors shall reprocess claims with dates of service of October 27, 2008, through December 31, 2009 containing the HCPCS codes found in Attachment A of CR 6573 and CR 6914, using the guidelines established by CRs 5917 and 6573 with the effective date noted above. As previously stated in CR 6573, with respect to payment for the HCPCS codes found in Attachment A of CR 6573 and CR 6914, 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 their permanent residence.

NOTE: This instruction and the billing guidelines for replacement parts, accessories and supplies for implanted devices established in CRs 5917 and 6573 apply only to DMEPOS suppliers enrolled with the National Supplier Clearinghouse (NSC) and their local carrier/A/B MAC and does not change the existing carrier/A/B MAC billing rules that apply to physicians, facilities or other entities that are implanting the devices.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement

Number	Requirement	Responsibility (place an "X" in each applicable column)								
		A / B M A C	D M E M A C	F I M A C	C A R R I E R	R H R I	Shared-System Maintainers			
					F I S S	M C S	V M S	C W F		
6970.1	Contractors shall reprocess claims with dates of service of October 27, 2008 through December 31, 2009 containing the HCPCS codes found in Attachment A of CR 6573 and CR 6914, using the claims processing instructions previously communicated in CRs 5917 and 6573.	X			X				X	
6970.2	CWF shall bypass the locality edit on HUBC records for claims with dates of service on or after October 27, 2008 containing the HCPCS codes listed in Attachment A of CR 6573 and CR 6914.								X	
6970.3	Contractors shall immediately download the 2008 and 2009 DMEPOS Fee Schedule files in order to determine the appropriate national payment rates for 2008 and 2009 dates of service for the HCPCS codes listed in Attachment A of CRs 6573 and 6914. The address for the 2008 file is: MU00.@BF12393.DMEPOS.T080101.V0506 The address for the 2009 file is: MU00.@BF12393.DMEPOS.T090101.V0513	X			X				X	
6970.3.1	Contractors shall perform all necessary maintenance to their systems to ensure compliance with the instructions communicated in 6970.1	X			X				X	

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)								
		A / B M A C	D M E M A C	F I M A C	C A R R I E R	R H R I	Shared-System Maintainers			
					F I S S	M C S	V M S	C W F		
6970.4	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	X			X					

Number	Requirement	Responsibility (place an "X" in each applicable column)								
		A / B M A C	D M E M A C	F I 	C A R R I E R	R H H I	Shared-System Maintainers			
						F I S S	M C S	V M S	C W F	
	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 program correctly.									

IV. SUPPORTING INFORMATION

Section A: For any recommendations and supporting information associated with listed requirements, use the box below: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: For all other recommendations and supporting information, use this space: N/A

V. CONTACTS

Pre-Implementation Contact(s): Contact Eric Coulson at (410)786-3352 or by email at Eric.Coulson@cms.hhs.gov

Post-Implementation Contact(s): Contact the appropriate Regional Office.

VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or 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.