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Related Change Request (CR) #: 5255

Related CR Release Date: August 25, 2006

Effective Date: October 1, 2006

Related CR Transmittal #: R1037CP

Implementation Date: October 2, 2006

	<p>Attention Physicians, Providers, and Suppliers!</p> <p>Effective October 1, 2006, Medicare will only generate the Health Insurance Portability and Accountability Act (HIPAA) compliant remittance advice – transaction 835 version 004010A1 – to all electronic remittance advice receivers. For more details, see MLN Matters article SE0656 at http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0656.pdf.</p>
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October Quarterly Update for 2006 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule

Provider Types Affected

Physicians, suppliers, and providers billing Medicare carriers, including durable medical equipment (DME) regional carriers (DMERCs) and DME Medicare Administrative Contractors (DME MACs), and/or fiscal intermediaries (FIs), including regional home health intermediaries (RHHIs), for services paid under the DMEPOS Fee Schedule.

Background

This article and related CR5255 provide specific information regarding the quarterly update for the October 2006 DMEPOS Fee Schedule.

Key Points

Quarterly Update

The DMEPOS fee schedules are updated on a quarterly basis to:

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- Implement fee schedule amounts for new codes; and
- Revise any fee schedule amounts for existing codes that were calculated in error.

Required Payment

Payment on a fee schedule basis is required for:

- Durable Medical Equipment (DME), prosthetic devices, orthotics, prosthetics, and surgical dressings by the Social Security Act (Sections 1834(a)(h)(i)); and
- Parenteral and Enteral Nutrition (PEN) by regulations contained in the Code of Federal Regulations (42 CFR 414.102).

Codes Added to HCPCS

The following codes are being added to the Healthcare Common Procedure Coding System (HCPCS) on October 1, 2006, and are effective for claims with dates of service on or after October 1, 2006:

- Code K0738 (Portable Gaseous Oxygen System, Rental; Home Compressor Used To Fill Portable Oxygen Cylinders; Includes Portable Containers, Regulator, Flow meter, Humidifier, Cannula Or Mask, And Tubing) This code is to be used for billing and payment for oxygen transfilling equipment used in the beneficiary's home to fill portable gaseous oxygen cylinders.
- HCPCS codes K0800 through K0802, K0806 through K0808, K0812 through K0816, K0820 through K0831, K0835 through K0843, K0848 through K0864, K0868 through K0871, K0877 through K0880, K0884 through K0886, K0890, K0891, K0898 and K0899, as appropriate, for related Power Mobility Device claims.

The descriptions for these codes and other codes in this article may be found in CR5255 at <http://www.cms.hhs.gov/Transmittals/downloads/R1037CP.pdf> on the CMS website.

For power wheelchairs furnished on a rental basis with dates of service prior to October 1, 2006, use codes K0010, K0011, K0012, and K0014 as appropriate.

Claims for K0010, K0011, K0012 and K0014 with dates of service on or after October 1, 2006, if the claims are for purchase of initial rental of the item, will be rejected.

The fee schedules for HCPCS code E1238 (Wheelchair, Pediatric Size, Folding, Adjustable, Without Seating System) are being revised as part of this update to correct errors in calculation and are effective for dates of service on or after January 1, 2006.

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Fee schedule amounts for codes E2620 and E2621 are being revised to correct fee schedule assignment errors for claims with dates of service on or after January 1, 2006.

The fee schedules for HCPCS code A7043 (Vacuum drainage bottle and tubing for use with implanted catheter) are being revised as part of this update to correct calculation errors and will be effective for dates of service on or after January 1, 2006.

Previously processed claims for codes E2620, E2621, A7043 and E1238 with dates of service on or after January 1, 2006, will be adjusted if they are resubmitted as adjustments.

The fee schedule for HCPCS code L8689 (External recharging system for implanted neurostimulator, replacement only) was revised. FIs and carriers will adjust previously processed claims for code L8689 with dates of service on or after January 1, 2006, if they are resubmitted as adjustments.

HCPCS code L8689 should only be used for external systems that recharge implanted batteries (i.e., external recharging of batteries that area inside the patient). Claims for replacements for other types of implanted neurostimulator battery charging systems should be submitted using L8699.

The fee schedules for HCPCS code L2232 (Addition to lower extremity orthosis, rocker bottom for total contact ankle foot orthosis, for custom fabricated orthosis only) are added to the fee schedule file on October 1, 2006, and are effective for new claims with dates of service on or after January 1, 2005.

Codes H0049 (Alcohol And/Or Drug Screening) and H0050 (Alcohol And/Or Drug Services, Brief Intervention, Per 15 Minutes) are being added to the HCPCS on June 30, 2006, and will be available on January 1, 2007, for assignment by insurers in accordance with their programs and policies.

Implementation

The implementation date for the instruction is October 2, 2006.

Additional Information

For complete details, please see the official instruction issued to your Medicare carrier, FI, RHHI, DMERC, or DME/MAC regarding this change. That instruction may be viewed by going to

<http://www.cms.hhs.gov/Transmittals/downloads/R1037CP.pdf> on the CMS website.

If you have questions, please contact your Medicare carrier, DMERC, DME MAC, FI, or RHHI at their toll-free number which may be found at:

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<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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