

# CMS Manual System

## Pub 100-04 Medicare Claims Processing

Transmittal 546

Department of Health &  
Human Services

Center for Medicare and  
&  
Medicaid Services

Date: APRIL 29, 2005

Change Request 3792

**SUBJECT:: Number of DMEPOS Pricing Files That Must Be Maintained Online for Medicare – DMERC, FI, and RHHI Only**

**I. SUMMARY OF CHANGES:**Beginning October 1, 2005, the standard for the number of online pricing files maintained by DMERCs and RHHIS for paying DMEPOS claims is eight fee screens/pricing.

**NEW/REVISED MATERIAL :**

**EFFECTIVE DATE : October 01, 2005**

**IMPLEMENTATION DATE : October 03, 2005**

*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/Table of Contents
N	20/20.5/Online Pricing Files for DMEPOS

**III. FUNDING:**

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2005 operating budgets.

**IV. ATTACHMENTS:**

Business Requirements

Manual Instruction

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



# Attachment - Business Requirements

Pub. 100-04	Transmittal: 546	Date: April 29, 2005	Change Request 3792
-------------	------------------	----------------------	---------------------

**SUBJECT: Number of DMEPOS Pricing Files That Must Be Maintained Online for Medicare -- DMERC, FI, and RHHI Only**

## I. GENERAL INFORMATION

CMS mandates a standard for the number of online pricing files that must be maintained by the durable medical equipment regional carrier (DMERC), fiscal intermediaries (FIs) and regional home health intermediary (RHHI) standard systems for determining the applicable allowed amount for paying fee-for-service durable medical equipment, prosthetics, orthotics, and supply (DMEPOS) claims. This instruction increases that standard to eight DMEPOS fee screens/pricing.

### B. Policy:

Beginning October 1, 2005, the standard for the number of online pricing files maintained by DMERCs, FIs and RHHIS for paying DMEPOS claims is eight fee/pricing screens. However, for items for which FISS maintains more than 8 fee/pricing screens, FISS shall continue to do so.

## II. BUSINESS REQUIREMENTS

*"Shall" denotes a mandatory requirement*

*"Should" denotes an optional requirement*

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
3792.1	Standard system shall maintain no fewer than eight online pricing files for determining approved charges for DMEPOS billed to the DMERCs and RHHIs.					X		X		
3792.1.1	The Standard System shall have the capability to accommodate multiple fee screens within a calendar year so that systems changes would not be required if prices change during the year.					X		X		

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)								
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers				Other
						F I S S	M C S	V M S	C W F	
3792.1.1.1	For DMERC claims, the instructions in this CR apply to the DMEPOS and PEN fee schedules only. Items priced by reasonable charge shall continue to have 5 pricing files as they do currently.				X			X		
3792.2	Beginning October 1, 2005 the first pricing file shall be the latest DMEPOS pricing file (10/1/05). DMERCs and RHHIs shall add at least the seven DMEPOS pricing files issued prior to the October 1, 2005 DMEPOS file to fulfill requirement 3792.1.					X		X		
3792.2.1	Standard system shall drop the oldest pricing file as each new file is added, if eight files are maintained, or the second to the oldest pricing file is more than eight files are maintained.					X		X		
3792.2.2	For FIs and RHHIs, the standard system shall auto-load the DMEPOS files quarterly.					X				
3792.2.3	For DMERCs, the standard system shall update the DMEPOS and PEN fee schedules annually, with quarterly updates being performed at the DMERC level.				X			X		
3792.2.4	For DMERCs, the standard system shall roll existing pricing files in order to accept the most recent file, both quarterly and annually.				X			X		
3792.2.5	DMERCs, FIs and RHHIs shall have an update capability.	X	X		X	X		X		
3792.3	DMERCs, FIs and RHHIs shall use the online pricing file applicable to the billed date of service.	X	X		X	X		X		

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
3792.4	DMERCs, FIs and RHHIs shall use the oldest online DMEPOS pricing file to price DMEPOS claims with dates of service prior to the effective date of the earliest online file.	X	X		X				
3792.4.1	Requirement 3792.4 shall not be construed to permit untimely filing of claims for DMEPOS submitted to the DMERCs, FIs or RHHIs.	X	X		X	X		X	

### III. PROVIDER EDUCATION

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
3792.5	A provider education article related to this instruction will be available at <a href="http://www.cms.hhs.gov/medlearn/matters">www.cms.hhs.gov/medlearn/matters</a> shortly after the CR is released. You will receive notification of the article release via the established "medlearn 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 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.		X		X				

**IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS**

**A. Other Instructions: N/A**

<b>X-Ref Requirement #</b>	<b>Instructions</b>

**B. Design Considerations: N/A**

<b>X-Ref Requirement #</b>	<b>Recommendation for Medicare System Requirements</b>

**C. Interfaces: N/A**

**D. Contractor Financial Reporting /Workload Impact: N/A**

**E. Dependencies: N/A**

**F. Testing Considerations: N/A**

**V. SCHEDULE, CONTACTS, AND FUNDING**

<b>Effective Date*:</b> October 1, 2005 <b>Implementation Date:</b> October 3, 2005 <b>Pre-Implementation Contact(s):</b> for DMERC Renée Hildt at <a href="mailto:rhildt@cms.gov">rhildt@cms.gov</a> , for RHHI Will Gehne at <a href="mailto:wgehne@cms.gov">wgehne@cms.gov</a> <b>Post-Implementation Contact(s):</b> appropriate Regional Office	<b>No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2005 operating budgets.</b>
---	---

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

# Medicare Claims Processing Manual

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

---

Table of Contents

*(Rev. 546, 04-29-05)*

*20.5 - Online Pricing Files for DMEPOS*

## ***20.5 – Online Pricing Files for DMEPOS***

***(Rev.546, Issued: 04-29-05, Effective: 10-01-05, Implementation: 10-03-05)***

*Beginning October 1, 2005, the standard for the number of online pricing files maintained by DMERCs, FIs, and RHHIs for determining the applicable allowed amount for paying DMEPOS claims is eight fee screens/pricing files for DMEPOS claims billed to DMERCs, FIs and RHHIs for payment on a fee-for-service basis. However, for items for which FISS maintains more than 8 fee/pricing screens, FISS shall continue to do so.*