



News Flash – Do you ever wonder about how to utilize search tools in selected areas of the CMS website? The searchable Medicare Coverage Database (MCD) contains all Medicare National Coverage Determinations (NCDs), National Coverage Analyses (NCAs), Local Coverage Determinations (LCDs), and local policy articles. The Medicare Learning Network (MLN) has produced a "How To" booklet (2.5 MB), that provides an explanation of the MCD, as well as how to use the Search, Indexes, Reports and Downloads features. The revised How to Use the Medicare Coverage Database booklet is available at <http://www.cms.gov/MLNProducts/MPUB/list.asp> on the MLN Publications page. Use search key words "how to" to locate this publication quickly. Understanding the search tool is the best way to find the information for which you are looking!

MLN Matters® Number: MM7014

Related Change Request (CR) #: 7014

Related CR Release Date: July 30, 2010

Effective Date: January 1, 2011

Related CR Transmittal #: R7410TN

Implementation Date: January 3, 2011

Home Health Agencies (HHAs) Providing Durable Medical Equipment (DME) in Competitive Bidding Areas

Provider Types Affected

This article is for all HHAs submitting claims to Regional Home Health Intermediaries (RHHIs) for DME provided to Medicare beneficiaries residing in competitive bidding areas.

Provider Action Needed

The Centers for Medicare & Medicaid Services (CMS) issued Change Request (CR) 7014 to alert HHAs that edits will be in place, effective for services on or after January 1, 2011, to prevent HHAs from billing competitively bid DME items in competitive bidding areas and consequently preventing the inappropriate payment of competitively bid DME items to HHAs. Make certain your billing staffs are aware of these changes.

Background

Beginning January 1, 2011, in a competitive bidding area, a supplier must be awarded a contract by Medicare in order to bill Medicare for competitively bid

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DME. Therefore, HHAs that furnish DME and are located in an area where DME items are subject to a competitive bidding program must either be awarded a contract to furnish the items in this area or use a contract supplier in the community to furnish these items. The competitive bidding items will be identified by HCPCS codes and the competitive bidding areas will be identified based on zip codes where beneficiaries receiving these items maintain their permanent residence. The DME MACs will have edits in place indicating which entities are eligible to bill for competitive bid items and the appropriate competitive bid payment amount.

Key Points of CR 7014

- Your Medicare contractor will return HH claims (types of bill 32x, 33x and 34x) to you when such claims contain Healthcare Common Procedure Coding System (HCPCS) codes that are identified as being for items or services subject to competitive bidding in a competitive bidding area.
- For your HHA to bill competitively bid items, your HHA must also be a contract supplier under Medicare's DME competitive bidding program.
- **Note:** All suppliers of competitively bid DME must bill the DME Medicare Administrative Contractors (MAC) for these items and will no longer be allowed to bill for competitive bid items to Medicare contractors processing home health claims. Home health claims submitted for HCPCS codes subject to a competitive bidding program will be returned to the provider to remove the affected DME line items.
- The applicable HCPCS codes and Zip Codes for the competitive bidding areas can be found on the "Supplier" page of the following Competitive Bid Implementation Contractor (CBIC) website at <http://www.dmecompetitivebid.com/Palmetto/Cbic.nsf/DocsCat/Home> on the Internet.
- Claims for DME furnished by HHAs that are not subject to competitive bidding may still be submitted to the appropriate home health claims processing contractor.

Additional Information

If you have questions, please contact your Medicare RHHs at their toll-free number which may be found at <http://www.cms.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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The official instruction associated with this CR7014, issued to your Medicare RHHs regarding this change may be viewed at <http://www.cms.gov/Transmittals/downloads/R7410TN.pdf> on the CMS website.

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