

Pharmacy Accreditation Exemption Statement Fact Sheet

November 2010

As of January 1, 2011 pharmacies that meet all of the following criteria may file an accreditation exemption statement which enables them to be enrolled in Medicare to supply durable medical equipment, orthotics, prosthetics and supplies (DMEPOS) which require accreditation, without having an accreditation.

The criteria are as follows:

1. The pharmacy has been enrolled in Medicare as a DMEPOS supplier for at least 5 years;
 2. The pharmacy has not had an unrescinded final adverse action during the past five years;
 3. The pharmacy's Medicare billing for DMEPOS, other than drugs and pharmaceuticals which are not subject to accreditation, is less than 5 percent of pharmacy sales for the previous 3 calendar or fiscal years. Pharmacy sales are those that are in a separate pharmacy account(s) for entities whose accounting system has such a breakout. For pharmacies whose accounting system does not provide a breakout of pharmacy items versus non-pharmacy items (usually small pharmacies), the total gross sales of the pharmacy shall be considered to be the pharmacy sales.
- A. If you are a currently accredited pharmacy that meets the exemption criteria who desires to no longer be accredited, you may submit a signed copy of the accreditation exemption statement shown below anytime after January 1, 2011. You do not have to wait until your accreditation has ended. The National Supplier Clearinghouse (NSC) will send you an acceptance by mail. If you do not qualify for the exemption, the NSC will notify you that your accreditation exemption statement has been rejected and provide an explanation for the rejection. It is recommended that you do not terminate your accreditation until you receive notice from the NSC that your accreditation exemption statement has been accepted. We make this recommendation because if you are no longer accredited and do not qualify for the exemption, your Medicare billing privileges will be revoked.
- B. If you are a currently accredited pharmacy who will meet the exemption criteria after January 1, 2011, who desires to no longer be accredited at that time, you may submit a signed copy of the accreditation exemption statement as of the date of your 5-year anniversary of enrollment in Medicare. You cannot sign the statement before the 5-year anniversary date. It is important that you are certain that you qualify for the exemption prior to terminating accreditation. Therefore, it is recommended that you continue accreditation until you have received notice of acceptance of your accreditation exemption statement from the NSC. We make this recommendation because if you are no longer accredited and do not qualify for the exemption, your Medicare billing privileges will be revoked.

- C. The attestation for exemption from accreditation statement must be signed by the Authorized or Delegated Official of your company shown on Section 15 or 16 of your previously submitted CMS-855S Medicare enrollment application.

- D. If your pharmacy has more than one practice location, each individually enrolled practice location must submit a separate attestation for exemption from accreditation statement. New locations of enrolled multiple- location pharmacies are not considered to have been enrolled for 5 years. Pharmacies that have had a change of ownership in the prior 5 years which resulted in a change in their legal business entity, including a change in their Taxpayer Identification Number (TIN), do not qualify for the accreditation exemption.

- E. For more information or if you have questions, contact the National Supplier Clearinghouse at (866) 238-9652, M-F between the hours of 9:00 am – 5:00 pm, Eastern Time.

Attestation for Exemption from Accreditation for a Medicare Enrolled Pharmacy

I hereby attest to the following:

- 1) The legal entity I represent, which has a legal business name of _____, with a practice address location of _____, hereafter referred to as the pharmacy, is currently separately enrolled as a DMEPOS supplier in the Medicare program as a pharmacy with a Medicare billing number of _____.
- 2) The pharmacy has been enrolled with Medicare under section 1866(j) of the Social Security Act, as amended, as a supplier of durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) and has been issued (which may include the renewal of) a provider number for at least 5 years, and for which a final adverse action (as defined in 42 CFR 424.57(a)) which has not been rescinded, has not been imposed in the past 5 years.
- 3) The total billings by the pharmacy for DMEPOS to Medicare are less than 5 percent of total pharmacy sales, as determined based on the average total pharmacy sales for the previous 3 calendar years or fiscal years.
- 4) The pharmacy will be immediately subject to the requirement for accreditation as defined in 42 CFR 424.57(c) (22) at any time the pharmacy does not meet the requirements shown in paragraphs 2 and 3 of this attestation. The pharmacy agrees to notify the National Supplier Clearinghouse (NSC) in writing within 30 days of the date that it no longer meets the requirements shown in paragraphs 2 and 3 of this attestation.
- 5) The pharmacy agrees to submit materials as requested by the Secretary, or during the course of an audit conducted on a random sample of pharmacies selected annually, to verify that the pharmacy meets the criteria described in paragraphs 2 and 3 of this attestation. Material submitted under the preceding sentence shall include a certification by an accountant on behalf of the pharmacy or the submission of tax returns filed by the pharmacy during the relevant periods, as requested by the Secretary.
- 6) I am the Authorized Official or Delegated Official as shown on the current form CMS-855S Medicare enrollment application which has been submitted to the NSC.

Signed,

Signature of Authorized or Delegated Official

Typed Name of Authorized or Delegated Official

Date

