



Reporting Changes in Surety Bonds – JA6854

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Date Job Aid Revised: March 30, 2010

Effective Date: June 28, 2010

Implementation Date: June 28, 2010

Key Words	MM6854, CR6854, R332PI, Surety, Bonds
Contractors Affected	Durable Medical Equipment Medicare Administrative Contractors (DME MACs)
Provider Types Affected	Suppliers of DME, prosthetics, orthotics and supplies (DMEPOS) submitting claims to Medicare DME MACs for services provided to Medicare beneficiaries



Change Request (CR) 6854 clarifies the situations in which certain DMEPOS surety bond changes must be reported to the National Supplier Clearinghouse (NSC).

When an Addendum to The Existing Bond is Required

- A DMEPOS supplier must submit an addendum to the existing bond (or, if the supplier prefers, a new bond) to the NSC in the following instances:
 - A change in bond terms,
 - A change in the bond amount, or
 - A location on a bond covering multiple non-chain locations is being added or deleted.

Provider Needs to Know...

Notification in Lapse of Service

- Pursuant to 42 Code of Federal Regulations 424.57(d)(6)(iv) (http://edocket.access.gpo.gov/cfr_2002/octqtr/pdf/42cfr424.57.pdf), the surety must

notify the NSC if there is a lapse in the surety's coverage of the DMEPOS supplier.

- This can be done via letter, fax, or e-mail to the NSC.

Where to Find the Appropriate NSC Addresses

- The appropriate NSC addresses can be found on the NSC's website at <http://www.palmettogba.com/palmetto/providers.nsf/cudocs/National%20Supplier%20Clearinghouse?OpenDocument> on the Internet.
 - If suppliers have questions, they may contact the NSC at (866) 238-9652 from 9 a.m. until 5 p.m. EST to reach a customer service representative.
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Background

CR6854 outlines scenarios in which suppliers of DMEPOS are required to report certain surety bond changes to the NSC.

Operational Impact

N/A

Reference Materials

The related MLN Matters® article can be found at <http://www.cms.gov/MLN MattersArticles/downloads/MM6854.pdf> on the CMS website.

The official instruction (CR6854) regarding this change may be viewed at <http://www.cms.gov/Transmittals/downloads/R332PI.pdf> on the CMS website.

There is a detail summary of Medicare's surety bond requirements in MLN Matters® article MM6392 at <http://www.cms.gov/MLN MattersArticles/downloads/MM6392.pdf> on the CMS website.
