

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



News Flash –

REVISED products from the Medicare Learning Network® (MLN)

- [“The DMEPOS Competitive Bidding Program: Grandfathering Requirements for Non-Contract Suppliers,”](#) Fact Sheet, ICN 900923, Downloadable only.

MLN Matters® Number: MM8158 **Revised**

Related Change Request (CR) #: CR 8158

Related CR Release Date: May 21, 2013

Effective Date: July 1, 2013

Related CR Transmittal #: R12390TN

Implementation Date: July 1, 2013

New Healthcare Common Procedure Coding System (HCPCS) Codes for Customized Durable Medical Equipment

Note: This article was revised on May 23, 2013, to reflect the revised CR8158 issued on May 21. In the article, the CR release date, transmittal number, and the Web address for accessing the CR were revised. All other information remains the same.

Provider Types Affected

This MLN Matters® Article is intended for Home Health Agencies (HHAs), other providers, and Durable Medical Equipment (DME) suppliers submitting claims to Medicare contractors (Regional Home Health Intermediaries (RHHIs), Part A Medicare Administrative Contractors (A MACs), or Durable Medical Equipment Medicare Administrative Contractors (DME MACs) for services to Medicare beneficiaries.

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Provider Action Needed



STOP – Impact to You

Effective July 1, 2013, the Centers for Medicare & Medicaid Services (CMS) is adding three new Healthcare Common Procedure Coding System (HCPCS) codes for payment of customized D M E.



CAUTION – What You Need to Know

Change Request (CR) 8158, from which this article is taken, announces the addition of the following HCPCS codes to the HCPCS code set:

- K0008 (Custom Manual Wheelchair/Base);
- K0013 (Custom Motorized/Power Wheelchair Base); and
- K0900 (Custom Durable Medical Equipment, Other Than Wheelchairs).



GO – What You Need to Do

Make sure that you only use these codes for items that meet the definition of “customized item” that is used specifically for Medicare payment purposes only. Very few items meet the Medicare regulatory definition of customized items. Effective July 1, 2013, you should bill claims for custom manual wheelchairs, custom power wheelchairs, and all other custom DME that is not a wheelchair base using these respective codes. Claims for items billed using these codes will be manually processed and evaluated to ensure that the item furnished meets the Medicare definition of customized item.

Background

Customized DME Items

Per 42 Code of Federal Regulations (CFR) Section 414.224(a), in order to be considered a customized DME item, a covered item (including a wheelchair) must be: 1) Uniquely constructed or substantially modified for a specific beneficiary according to a physician's description and orders; and 2) So different from another item used for the same purpose that the two items cannot be grouped together for pricing purposes.

For example, a wheelchair that is custom fabricated, or substantially modified, so that it can meet the needs of wheelchair-confined, conjoined twins facing each other is unique and cannot be grouped with any other wheelchair used for the same purpose. It is a one-of-a-kind item, fabricated to meet specific needs.

Conversely, items that: 1) Are measured, assembled, fitted, or adapted in consideration of a patient's body size, weight, disability, period of need, or intended use (i.e., custom fitted items); or 2) Have been assembled by a supplier, or ordered from a manufacturer, who makes available customized features, modification or components for wheelchairs that are intended for an individual patient's use in accordance with instructions from the patient's physician do not meet the definition of customized

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items. These items are not uniquely constructed or substantially modified and can be grouped with other items for pricing purposes. The use of customized options or accessories or custom fitting of certain parts does not result in a wheelchair or other equipment being considered as customized.

Payment for Customized DME Items

CFR Section 414.224(b) further provides that the lump-sum payment made for purchase of the customized item is based on the Medicare contractor's individual consideration and judgment of a reasonable payment amount for each item. The contractor's individual consideration takes into account: 1) Written documentation on the item's costs (including design, fabrication, and assembly costs), including at least the costs of labor (to the extent that they are reasonable) of those actually performing the customization; and 2) The types of materials (to the extent that they are reasonable) used in custom fabricating or substantially modifying an item. The contractor may need to require a detailed description of each phase of the construction process and labor skills needed to fabricate or modify the item in order to determine a reasonable amount.

To facilitate the identification of, and to ensure appropriate payment for, customized DME that meet the criteria described above; CR8158, from which this article is taken, announces that CMS has added three new HCPCS codes to the HCPCS code set, effective July 1, 2013:

- K0008 Custom Manual Wheelchair/Base;
- K0013 Custom Motorized/Power Wheelchair Base; and
- K0900 Custom Durable Medical Equipment, Other Than Wheelchair.

Therefore, effective July 1, 2013, you should bill claims for custom manual wheelchairs using HCPCS code K0008, claims for custom power wheelchairs using HCPCS code K0013, and all other custom DME that is not a wheelchair base using HCPCS code K0900.

Additional Information

The official instruction, CR8158, issued to your Part A MAC or DME MAC regarding this change may be viewed <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R12390TN.pdf> the CMS website

If you have any questions, please contact your Part A MAC or DME MAC at their toll-free number, which may be found at <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/provider-compliance-interactive-map/index.html> on the CMS website.

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