

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



MLN Matters® Number: MM9756

Related Change Request (CR) #: CR 9756

Related CR Release Date: August 26, 2016

Effective Date: October 1, 2016

Related CR Transmittal #: R3598CP

Implementation: October 3, 2016

October Quarterly Update for 2016 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule

Provider Types Affected

This MLN Matters® Article is intended for providers and suppliers submitting claims to Medicare Administrative Contractors (MACs) for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) items or services paid under the DMEPOS fee schedule.

What You Need to Know

Change Request (CR) 9756 advises providers of fee schedule amounts for codes in effect on October 1, 2016. Make sure your billing staffs are aware of these updates.

Key Points

The Centers for Medicare & Medicaid Services (CMS) updates the DMEPOS fee schedules on a quarterly basis, when necessary, in order to implement fee schedule amounts for new and existing codes, as applicable, and apply changes in payment policies. The quarterly update process for the DMEPOS fee schedule is located in the “Medicare Claims Processing Manual,” [Chapter 23](#), Section 60.

The ZIP code associated with the address used for pricing a DMEPOS claim determines the rural fee schedule payment applicability for codes with rural and non-rural fee schedule amounts. ZIP codes for non-continental Metropolitan Statistical Areas (MSA) are not included in the DMEPOS Rural ZIP code file. The DMEPOS Rural ZIP code file is updated on a quarterly basis as necessary.

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October quarterly updates are only required for the DMEPOS Rural ZIP Code file containing Quarter 4, 2016 Rural ZIP Code changes. MACs will process claims for DMEPOS items using the Rural ZIP code file for dates of service on or after October 1, 2016.

The October 2016 DMEPOS Rural ZIP Code Public Use File (PUF), containing the rural ZIP codes effective for Quarter 4, 2016, will be available at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSFeeSchd/> for State Medicaid Agencies, managed care organizations, and other interested parties shortly after the release of the above PUF.

Additional Information

The official instruction, CR 9756, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R3598CP.pdf>.

Chapter 23 of the “Medicare Claims Processing Manual” is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/clm104c23.pdf>.

If you have any questions, please contact your MAC at their toll-free number. That number is available at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/index.html>.

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