



# MLN Matters®



Information for Medicare Fee-For-Service Health Care Professionals

Related Change Request (CR) #: 3779

MLN Matters Number: MM3779

Related CR Release Date: April 29, 2005

Related CR Transmittal #: 536

Effective Date: January 1, 2005

Implementation Date: July 5, 2005

## *July Quarterly Update for 2005 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule*

**Note:** This article was updated on February 4, 2013, to reflect current Web addresses. All other information remains unchanged.

### Provider Types Affected

Physicians, suppliers, and providers billing Medicare carriers, including Durable Medical Equipment Regional Carriers (DMERCs) and/or Fiscal Intermediaries (FIs)

### Provider Action Needed

This article is based on CR 3779 and provides specific information regarding the July quarterly update of the 2005 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) fee schedule.

### Background

The DMEPOS fee schedules are updated on a quarterly basis in order to implement fee schedule amounts for new codes and to revise any fee schedule amounts for existing codes that were calculated in error.

Payment on a fee schedule basis is required for Durable Medical Equipment (DME), prosthetic devices, orthotics, prosthetics, and surgical dressings by the Social Security Act (Section 1834 (a), (h), and (i)), and payment of a fee schedule basis is required for parenteral and enteral nutrition (PEN) by regulations contained in the Code of Federal Regulations (42 CFR 414.102).

CR 3779 provides specific details regarding the July quarterly update for the 2005 DMEPOS fee schedule, which are as follows:

#### *Batteries Used with Cochlear Implant Devices*

Code **L8620** with the description of "Lithium Ion Battery for Use with the Cochlear Implant Device" was added to the HCPCS effective January 1, 2005. When the fee schedule amounts were calculated and implemented for this code on January 1, 2005, pricing information for the different types of batteries used with cochlear implant devices was not included.

#### Disclaimer

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The fee schedule amounts for **L8620** are being revised as part of the quarterly update to include pricing information for the different types of lithium ion batteries used with cochlear implant devices. CMS is revising the fee schedule for the code using the standard gap-filling process. Local carriers, therefore, do not need to gap fill fees for this code.

**Note:** Previously paid claims for **L8620** with dates of service from January 1, 2005 thru June 30, 2005 will be adjusted if resubmitted by suppliers as adjustments on or after July 1, 2005.

Code **L8620** is being made invalid for Medicare claims with the dates of service on or after July 1, 2005. The following codes are being added to the HCPCS effective for dates of service on or after July 1, 2005:

- **K0731**-Lithium Ion Battery for Use With Cochlear Implant Device Speech Processor, Other than Ear Level, Replacement, Each; **Short Description:** Lith ion batt cid, non-ear level
- **K0732** Lithium Ion Battery for Use With Cochlear Implant Device Speech Processor, Ear Level, Replacement, Each; **Short Description:** Lith ion batt cid, ear level

These codes are to be used to bill for replacement batteries previously coded under **L8620** that are furnished on or after July 1, 2005. Also, please note that codes **L8110** and **L8120** do not meet the Medicare definition of prosthetic devices.

#### *Controlled Dose Inhalation Drug Delivery System*

The following code is also added to the HCPCS on July 1, 2005 and is effective for claims with service dates on or after April 1, 2005: **K0730**-Controlled Dose Inhalation Drug Delivery System.

**Note:** The allowed rental payment amount for this device is based on your Medicare contractor's individual consideration of each claim until fee schedule amounts can be established for this new code.

Code **K0670** was added to the HCPCS effective on April 1, 2005, but the fee schedule amount for K0670 was based on incorrect information and the amount is revised with this change. Your DMERC or FI will adjust previously processed claims for code K0670 with dates of service on or after April 1, 2005, but **only if you resubmit the claim for adjustment.**

#### *Parenteral and Enteral Nutrition (PEN) Equipment and Supplies*

There are no changes to the PEN fee schedule file for July 2005.

#### **Additional Information**

The quarterly updates process for the DMEPOS fee schedule is located in the Medicare Claims Processing Manual, Pub. 100-04, Chapter 23 (Fee Schedule Administration and Coding Requirements), Section 60 (Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule), which can be reviewed at <http://www.cms.gov/manuals/downloads/clm104c23.pdf> on the CMS website.

The official instruction issued to your carrier/DMERC/intermediary regarding this change may be found by going to <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/downloads/R536CP.pdf> on the CMS website.

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For additional information relating to this issue, please refer to your carrier/DMERC/intermediary. To find their toll free phone numbers go to <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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