



**News Flash** - CMS has announced the contract suppliers for the first round of the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bidding Program. Visit the CMS website at <http://www.cms.hhs.gov/DMEPOSCompetitiveBid/> to view additional information.

MLN Matters Number: MM6026

Related Change Request (CR) #: 6026

Related CR Release Date: May 23, 2008

Effective Date: October 1, 2008

Related CR Transmittal #: R3440TN

Implementation Date: October 6, 2008

## VMS Modifications to Implement the Common Electronic Data Interchange (CEDI) System - Part II

### Provider Types Affected

Suppliers submitting claims to Medicare Durable Medical Equipment Medicare Administrative Contractors (DME MACs) for services provided to Medicare beneficiaries.

### Provider Action Needed

This article is based on Change Request (CR) 6026 which provides VMS modification details needed to implement the Common Electronic Data Interchange (CEDI) system. The article is informational purposes for suppliers. Suppliers should note that the claims control number (CCN) format for X12 (837) claims will be CYYJJBBBBSS000, where C=Century, YY = Year, JJJ = Julian Day, BBBB = Batch Number, SS = Sequence Number, and 000 is a number for internal CMS system use only. This format will be in the system changes implemented on October 6, 2008 as a result of CR6026.

### Background

Currently, front end electronic data interchange (EDI) processing for Durable Medical Equipment (DME) claims occurs in four separate systems. Two of these

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systems are operated by DME MACs, and two are operated by data services contractors under direct contract with the Centers for Medicare & Medicaid Services (CMS). These front-end EDI systems perform edits on incoming Medicare DME claims and forward the output data from transactions that pass edits to the core of the VMS shared system claims processing environment. Each of the four systems used for DME front end transaction processing has been developed as a proprietary system to meet its developer's own business objectives, and logic specific to Medicare requirements was added to accommodate the Medicare claims transactions.

Since each system is owned and developed by separate entities, variations exist in the way in which individual front end systems process claims and in the results they produce. This creates confusion with suppliers and beneficiaries, and can also lead to the rejection of eligible claims as well as the payment of ineligible claims depending upon which front end system processed the transaction.

CR 6026 provides business requirements regarding system changes necessary to prepare for the implementation of the DME MAC CEDI front end system. The business requirements associated with CR 6026 are effective on October 1, 2008 regardless of the date of service or date of receipt of the claim.

**Note: CR 6026 does not affect providers billing carriers, Fiscal intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), or Part A/B MACs.**

## Additional Information

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The official instruction, CR 6026, issued to your DME MAC regarding this change may be viewed at <http://www.cms.hhs.gov/Transmittals/downloads/R3440TN.pdf> on the CMS website.

If you have any questions, please contact your DME MAC at their toll-free number, which may be found at <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

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