

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



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The Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program

Hospitals That Are Not Contract Suppliers

Under the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program (the Program), beneficiaries with Original Medicare who obtain competitive bidding items in competitive bidding areas (CBAs) are required to obtain these items from a contract supplier, unless an exception applies. This fact sheet discusses one of these exceptions, which allows hospitals in a CBA to furnish certain competitively bid items to their own patients without submitting a bid and being selected as a contract supplier.[1]

[1] There is a similar exception for physicians and other treating practitioners that is addressed in a separate fact sheet.

Who can be considered under this exception?

Hospitals can be considered under this exception. This exception does not apply to hospital-owned DMEPOS suppliers or DMEPOS suppliers that are only affiliated with a hospital.



What requirements must be met to qualify for this exception?

Medicare hospitals have the option to furnish competitively bid walkers, folding manual wheelchairs, or external infusion pumps^[2] **to their own patients** without submitting a bid or being awarded a competitive bid contract if both of the following requirements are met:

- ◆ The walkers, folding manual wheelchairs, or external infusion pumps must be furnished by the hospital **to its own patients during an admission or on the date of discharge**
- ◆ The walkers, folding manual wheelchairs, or external infusion pumps must be billed to a Durable Medical Equipment Medicare Administrative Contractor (DME MAC) using the DMEPOS billing number that is assigned to the hospital

Separate payment is not made for walkers, folding manual wheelchairs, or external infusion pumps furnished by a hospital for use in the hospital, as payment for these items is included in the Part A payment for inpatient hospital services.

What payment rules apply under this exception?

Medicare pays the single payment amount established by the Program for walkers, folding manual wheelchairs, and external infusion pumps furnished under this exception, and the hospital must accept assignment. Single payment amounts can be found on the Competitive Bidding Implementation Contractor website, <http://www.dmecompetitivebid.com>.

[2] External infusion pumps and supplies are included in the DMEPOS Competitive Bidding Program in certain areas only. The item will no longer be included in the program beginning January 1, 2017.

What are the rules to bill for walkers, folding manual wheelchairs, and external infusion pumps furnished under this exception?

To be paid for **walkers** as a non-contract supplier, hospitals should **use the modifier J4** in combination with the following **Healthcare Common Procedure Coding System (HCPCS) codes: E0130, E0135, E0140, E0141, E0143, E0147, E0148, E0149, E0154, E0155, E0156, E0157, E0158, and E0159.**

To be paid for **folding manual wheelchairs** as a non-contract supplier, hospitals should **use the modifier J4** in combination with the following **HCPCS codes: K0001, K0002, K0003, K0004, K0006, K0007, E1037, E1038, E1039, E0705, E0950, E0951, E0958, E0959, E0961, E0971, E0973, E0974, E0978, E0985, E0990, E1015, E1020, E1028, E1225, E1226, E2201, E2202, E2203, E2204, E2206, E2207, E2208, E2209, E2211, E2213, E2228, K0040, K0053, K0056, K0065, K0073, K0077, K0105, and K0195.**

To be paid for **external infusion pumps** as a non-contract supplier, hospitals should **use the modifier J4** in combination with the following **HCPCS codes: A4221, A4222, E0776, E0779, E0780, E0781, E0784, E0791, K0552, K0601, K0602, K0603, K0604, and K0605.**

Under this exception, hospitals are advised to submit the claim for the hospital stay before or on the same day they submit the claim for the walker, folding manual wheelchair, or external infusion pump to ensure timely and accurate claims processing.

How does the hospital determine if an area is in a CBA?

CBAs are defined by ZIP Codes. To determine if a ZIP Code is in a CBA, enter it in the “FIND A CBA” tool on the tool bar at the top of the page at <http://www.dmecompetitivebid.com>. The “FIND A CBA” tool will also indicate the specific round that applies to a ZIP Code.

Additional Information

For more information about the DMEPOS Competitive Bidding Program, visit <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSCompetitiveBid> on the CMS website.

Beneficiary-related information can be found at <https://www.medicare.gov> on the Internet.



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