

# PROVIDER COMPLIANCE TIPS FOR TRACHEOSTOMY SUPPLIES



## PROVIDER TYPES AFFECTED

Physicians and other practitioners who write prescriptions for tracheostomy supplies and Durable Medical Equipment (DME) Suppliers

## BACKGROUND

The Medicare Fee-For-Service improper payment rate for tracheostomy supplies for the 2018 reporting period was 61.5 percent, representing a projected improper payment amount of \$168 million.<sup>1</sup>

Tracheostomy supplies are covered under the Prosthetic Benefit (Social Security Act §1861[s][8]). To be covered, the DME prescribed must meet the requirements set out in the Local Coverage Determination entitled Local Coverage Determination (LCD): Tracheostomy Care Supplies (L33832).<sup>2</sup>

## REASONS FOR DENIAL

For the 2018 reporting period, insufficient documentation accounted for 51.6 percent of improper payments for tracheostomy supplies. Additional error types for tracheostomy supplies in the 2018 reporting period included other (48.4 percent).<sup>1</sup>

## TO PREVENT DENIALS<sup>2</sup>

In order to justify payment for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) items, suppliers must meet the following requirements:

- Prescription (orders).
- A Detailed Written Order (DWO) must be received by the supplier before a claim is submitted. If the supplier bills for an item addressed in this policy without first receiving a completed DWO, the claim shall be denied as not reasonable and necessary.
- Medical Record Information (including continued need/use if applicable).
- Correct Coding - An item/service is correctly coded when it meets all the coding guidelines listed in CMS HCPCS guidelines, LCDs, LCD-related Policy Articles, or DME MAC articles. Claims that do not meet coding guidelines shall be denied as not reasonable and necessary/incorrectly coded.
- Proof of Delivery (POD) - is a Supplier Standard and DMEPOS suppliers are required to maintain POD documentation in their files. Proof of delivery documentation must be made available to the Medicare contractor upon request. All services that do not have appropriate proof of delivery from the supplier shall be denied as not reasonable and necessary.

<sup>1</sup> [2018 Medicare Fee-for-Service Supplemental Improper Payment Data](#)

<sup>2</sup> [Local Coverage Determination \(LCD\): Tracheostomy Care Supplies \(L33832\)](#)

A tracheostomy care or cleaning starter kit (A4625) is covered following an open surgical tracheostomy. Beginning two weeks post-operatively, code A4625 is no longer medically necessary and, if that code is billed, will be denied as not reasonable and necessary. The Usual Maximum Quantity of Supplies table is listed in LCD L33832. It lists the maximum number of items/units of service that are considered reasonable and necessary.

Suppliers must not dispense a quantity of supplies exceeding a beneficiary’s expected utilization. Suppliers must stay attuned to changed or unusual patterns of use by their clients. Suppliers must verify with the ordering physicians that any changed or unusual use is warranted. Regardless of use, a supplier must not dispense more than a 1-month supply at a time for a beneficiary in a nursing facility and a 3-month supply for a beneficiary at home.

**Refill Requirements**

For all DMEPOS items that are provided on a recurring basis, suppliers are required to have contact with the beneficiary or caregiver/designee prior to giving them a new supply of items. Suppliers must not deliver refills without a refill request from a beneficiary. Items delivered without a valid, documented refill request will be denied as not reasonable and necessary.

**RESOURCES**

FOR MORE INFORMATION ABOUT...	RESOURCE
2018 Medicare Fee-for-Service Supplemental Improper Payment Data	<a href="https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/Downloads/2018MedicareFFSSupplementalImproper-PaymentData.pdf">https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/CERT/Downloads/2018MedicareFFSSupplementalImproper-PaymentData.pdf</a>
Local Coverage Determination (LCD): Tracheostomy Care Supplies (L33832)	<a href="https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=33832&amp;ver=10&amp;DocID=L33832&amp;bc=IAAAABAAAA&amp;">https://www.cms.gov/medicare-coverage-database/details/lcd-details.aspx?LCDId=33832&amp;ver=10&amp;DocID=L33832&amp;bc=IAAAABAAAA&amp;</a>

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