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CMS Medicare FFS Provider e-News

CMS Information for the Medicare Fee-For-Service Provider Community

CMS asks that you share the following important information with all of your association members and state and local chapters. Thank you!

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The Compliance Deadline for the Transition to ASC X12 Version 5010 is Less Than One Week Away [[↑](#)]

Though CMS has announced an enforcement discretionary period of 90 days for Version 5010 compliance, the deadline remains Sun Jan 1, 2012. Enforcement will not be exercised until Sun Apr 1, 2012; however, it is important that organizations continue to complete the transition to Version 5010 as soon as possible, if they have not done so already.

Medicare Fee-For-Service (FFS) Part A Editing of the National Drug Code (NDC) [[↑](#)]

On Wed Dec 21, Medicare FFS turned off the current ASC X12 Version 5010 Common Edit and Enhancements Module (CEM) National Drug Code (NDC) validation edit for Medicare Part A. The specific NDC edit being turned off requires that the NDC in Loop ID 2410 LIN03 to be validated against the Food and Drug Administration's (FDA) NDC code list. A replacement NDC edit will be implemented in the Part A CEM for the January 2012 Shared System Quarterly release which will perform syntactical editing only of the NDC submitted in Loop ID 2410 LIN03.

A similar announcement was disseminated for the deactivation of the Part B NDC edit on Mon Dec 19. The Medicare Part B NDC edit was deactivated on Fri Dec 9.

NDC Code Background:

The NDC is a unique product identifier used for drugs intended for human use and is used for reporting prescribed drugs and biologics when required by government regulation, or as deemed by the provider to enhance claim reporting or adjudication processes. The *Drug Listing Act* of 1972 requires registered drug establishments to provide the FDA with a current list of all drugs manufactured, prepared, propagated, compounded, or processed by it for commercial distribution. Drug products are identified and reported using the NDC.

The NDC is a unique number expressed in 3-sections. This numeric identifier is assigned to each medication listed under Section 510 of the *US Federal Food, Drug, and Cosmetic Act*. The sections identify the labeler or vendor, the product (within the scope of the labeler), and the type of package (of this product). The ASC X12 TR3 documents stipulate that the 5-4-2 expression of NDC values must be used. However, the FDA does not have a version of the NDC in this (5-4-2) format. Therefore, CMS has created a version of the NDC in the 11-byte numeric NDC derivative, which pads the product code (4 positions) or package code (2 positions) sections of the NDC with a leading zero thus resulting in a fixed length 5-4-2 configuration.

New ASC X12 Version 5010 FAQs Posted to the CMS Website [[↑](#)]

Medicare Fee-For-Service (FFS) issued an announcement Wed Dec 14 regarding its plan for the 90 Day Discretionary Enforcement Period for non-compliant HIPAA covered entities. CMS has published 6 FAQ items related to this plan. These new FAQs can be found at: www.CMS.gov/Versions5010andD0/Downloads/QandA_for_90_day_announcement122111.pdf.

For more information on ASC X12 Version 5010, NCPDP D.0, and NCPDP 3.0; please visit www.CMS.gov/Versions5010andD0.

Time is Running Out for Authorized Officials to Register for DMEPOS Competitive Bidding [[↑](#)]

The target deadline for authorized officials (AOs) to register for Round 2 and the national mail-order competitions of the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program was Thu Dec 22. All suppliers interested in bidding must designate one AO from those listed on the CMS-855S enrollment form to act as their AO for registration purposes. *If you are a supplier interested in bidding and your designated AO has not yet registered, he or she should register NOW.* Suppliers whose AOs do not register will not be able to bid when bidding opens. AOs who do not register now may not have time to designate other employees to assist with bidding.

Remember, the AO must be listed on the CMS-855S enrollment form. After an AO successfully registers, the AO may designate other employees to serve as backup authorized officials (BAOs) and/or end users (EUs). BAOs and EUs must also register for a user ID and password to be able to access the online bidding system. The legal name, date of birth, and Social Security number (SSN) of the AO and BAOs must match exactly with what is on file with the National Supplier Clearinghouse in order to register successfully.

We recommend that BAOs register no later than Thu Jan 12, 2012, so that they will be able to assist AOs with approving EU registration. Registration will close on Thu Feb 9, 2012 at 9pm ET – no AOs, BAOs, or EUs can register after registration closes.

To register, go to the Competitive Bidding Implementation Contractor (CBIC) website, www.dmecompetitivebid.com and click on “REGISTRATION IS OPEN” above the Registration Clock on the homepage. Please review the IACS Reference Guide posted on the website for step-by-step instructions on registration. You will also find a registration checklist and Quick Step guides on the CBIC website. If you have any questions about the registration process, please contact the CBIC Customer Service Center at 1-877-577-5331.

The CBIC is the official information source for bidders. All suppliers interested in bidding are urged to sign up for email updates on the homepage of the CBIC website. For information about Round 2 and the national mail-order competition, including bidder education materials, please refer to the resources located under “Bidding Suppliers: Round 2 & National Mail-Order” on the CBIC website.

Two DMEPOS Competitive Bidding Announcements [[↑](#)]

We have two announcements of interest to suppliers that are considering participating in the Round 2 and national mail-order competitions of the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program.

First, the Competitive Bidding Implementation Contractor (CBIC) has issued a new fact sheet providing antitrust guidance for bidders. To view the fact sheet, please go to the CBIC website at www.dmecompetitivebid.com and select *Bidding Suppliers: Round 2 & National Mail-Order* and then choose “Fact Sheets.”

Second, four adjustable seat cushion codes have been removed from the Round 2 standard wheelchair product category. We are in the process of deleting these codes from the educational materials on the CBIC website. We will send a follow-up listserv notice when the updates to the educational materials are complete.

Holding of Institutional Provider 2012 Date-of-Service Claims [[↑](#)]

As the Centers for Medicare & Medicaid Services (CMS) implements calendar year 2012 changes, Medicare claims administration contractors will be holding some institutional provider claims containing 2012 services for up to the first 10 business days of January 2012 (i.e., Sunday, January 1, 2012, through Tuesday, January 17, 2012). Claims will be released as system testing is successfully completed, which we expect during that time frame.

The hold should have minimal impact on provider cash flow because, under current law, clean electronic claims are not paid sooner than 14 calendar days (29 days for paper claims) after the date of receipt. However, if you follow the status of your claim during the claims processing cycle, the claim status may not reflect what you would normally see because of the claims hold.

Medicare claims for services rendered on or before Saturday, December 31, 2011, are unaffected by the 2012 claims hold and will be processed and paid under normal procedures and time frames. We appreciate your patience as we implement calendar year 2012 changes.

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