

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 3324	Date: August 14, 2015
	Change Request 9272

SUBJECT: Clarification of the Policy for Competitively-Bid Wheelchair Accessories Furnished with Non-Competitively Bid Wheelchair Base Equipment

I. SUMMARY OF CHANGES: This instruction clarifies the policy and ensures claims are properly processed for competitively bid wheelchair accessories in accordance with standard Medicare Durable Medical Equipment Prosthetics, Orthotics and Supplies (DMEPOS) policy.

EFFECTIVE DATE: July 1, 2013

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: January 4, 2016

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	36/Table of Contents
N	36/50.16 Exception for Wheelchair Accessories Furnished with Non-Competitively Bid Wheelchair Base Equipment

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

**Business Requirements
Manual Instruction**

Attachment - Business Requirements

Pub. 100-04	Transmittal: 3324	Date: August 14, 2015	Change Request: 9272
--------------------	--------------------------	------------------------------	-----------------------------

SUBJECT: Clarification of the Policy for Competitively-Bid Wheelchair Accessories Furnished with Non-Competitively Bid Wheelchair Base Equipment

EFFECTIVE DATE: July 1, 2013

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: January 4, 2016

I. GENERAL INFORMATION

A. Background: The Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bidding Program (CBP) was established by section 302(b)(1) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) (Pub. L. 108-173) which amended section 1847 of the Social Security Act (the Act) to require the Secretary to establish and implement programs under which competitive bidding areas (CBAs) are established throughout the United States for contract award purposes for the furnishing of certain competitively priced items and services for which payment is made under Medicare Part B.

Currently, if a supplier submits an unassigned claim for a competitively bid accessory (identified by a Healthcare Common Procedural Coding System (HCPCS) code) that is used on a non-competitively bid base, the claim is denied because Competitive Bidding Program editing in the shared systems requires claims with CBP items to be assigned.

B. Policy: Claims with competitively bid accessories are to be processed in accordance with CBP rules when furnished with competitively bid base equipment. However, effective for claims with dates of service on or after July 1, 2013, competitively bid wheelchair accessories are to be processed in accordance with standard Medicare DMEPOS payment rules, not CBP rules, when furnished with non-competitively bid wheelchair base equipment (see CR 8864, Transmittal 1420, issued on August 15, 2014, for applicable HCPCS codes). Therefore, a non-participating supplier should be allowed to submit an unassigned claim for a competitively bid wheelchair accessory when furnished for use with non-competitively bid wheelchair base equipment.

Suppliers that believe their claims were denied or not paid according to this policy should notify their Medicare Administrative Contractor (MAC) within 6 months of the implementation of this instruction to request adjustments to their claims. **NOTE:** Suppliers that billed directly to the beneficiary and received payment for these claims must resubmit and give beneficiaries the applicable overpayments.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility									
		A/B MAC			D M E M A C	Shared- System Maintainers				Other	
		A	B	H H H		F I S S	M C S	V M S	C W F		
9272.1	The Medicare systems maintainer shall bypass the CBP edit requirements to allow an unassigned claim				X			X			

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	<p>under the following conditions:</p> <ul style="list-style-type: none"> The item is a competitively bid wheelchair accessory that is used with a non-competitively bid wheelchair base, AND The KY modifier is submitted with the claim. 									
9272.2	The Medicare contractors shall reprocess claims that were either incorrectly paid or denied in error for dates of service between the effective date and implementation date of this instruction when brought to their attention by the supplier within 6 months from the implementation of this instruction.				X					
9272.3	The Medicare contractors shall allow overriding of the timely filing period, as necessary for adjustments and/or resubmitted claims requested when brought to their attention by the supplier within 6 months of the implementation of this instruction.				X					
9272.4	The Medicare contractors shall educate suppliers via the MLN Article to resubmit any applicable returned/rejected claims.				X					
9272.5	<p>When returning claims as unprocessable according to the instructions in 8181.3, contractors shall use the following remittance advice messages and Group Code:</p> <p>CARC 4: The procedure code is inconsistent with the modifier used or a required modifier is missing.</p> <p>RARC M114: This service was processed in accordance with rules and guidelines under the DMEPOS Competitive Bidding Program or a Demonstration Project. For more information regarding these projects, contact your local contractor.</p> <p>RARC MA13: Alert: You may be subject to penalties if you bill the patient for amounts not reported with the PR (patient responsibility) group code.</p> <p>RARC MA130: Your claim contains incomplete and/or invalid information, and no appeal rights are afforded because the claim is unprocessable. Please submit a new claim with the complete/correct</p>				X					

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	information. Group Code: CO									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
A	B	H H H				
9272.6	MLN Article: A provider education article related to this instruction will be available at http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/ shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the provider education article shall be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.				X	

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements:

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
9272.1	Medicare systems shall bypass edit 3005 and any other edits identified as necessary to meet the requirement.
9272.5	See CR 8181 - Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) National Competitive Bidding (NCB): Using the "KY" Modifier to Bill for Accessories for Non-NCB Wheelchair Base Units for affected HCPCS codes and CARC/RARC information.

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Jessica Slater, jessica.slater@cms.hhs.gov (Policy contact), Bobbett Plummer, bobbett.plummer@cms.hhs.gov (Claims processing contact)

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0

Medicare Claims Processing Manual

Chapter 36 – Competitive Bidding

Table of Contents *(Rev. 3324, Issued: 08-14-15)*

50.16 - Exception for Wheelchair Accessories Furnished with Non-Competitively Bid Wheelchair Base Equipment

50.16 - Exception for Wheelchair Accessories Furnished with Non-Competitively Bid Wheelchair Base Equipment

(Rev. 3324, Issued: 08-14-15, Effective: 07-01-13, Implementation: 01-04-16)

Effective for claims with dates of service on or after July 1, 2013, competitively bid wheelchair accessories are paid in accordance with standard Medicare DMEPOS payment rules, not competitive bidding rules, when furnished with non-competitively bid wheelchair base equipment.