

# CMS Manual System

## Pub 100-08 Medicare Program Integrity

Transmittal 133

Department of Health & Human Services (DHHS)

Centers for Medicare & Medicaid Services (CMS)

Date: NOVEMBER 18, 2005

CHANGE REQUEST 3845

**SUBJECT: Enrolling Indian Health Service (IHS) Facilities as Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Suppliers**

**I. SUMMARY OF CHANGES:** Provide manual instructions describing how to enroll Indian Health Service (IHS) facilities as durable medical equipment, prosthetics, orthotics and supplies (DMEPOS) suppliers

### NEW/REVISED MATERIAL

**EFFECTIVE DATE: January 1, 2005**

**IMPLEMENTATION DATE: April 3, 2006**

*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:

**R = REVISED, N = NEW, D = DELETED**

| <b>R/N/D</b> | <b>CHAPTER / SECTION / SUBSECTION / TITLE</b>   |
|--------------|---|
| <b>R</b>     | 10/Table of Contents  |
| <b>N</b>     | 10/28/Enrolling Indian Health Service (IHS) Facilities as Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Suppliers |

### III. FUNDING:

**No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.**

### IV. ATTACHMENTS:

Business Requirements

Manual Instruction

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

# Attachment - Business Requirements

|             |                  |                         |                     |
|-------------|------------------|-------------------------|---------------------|
| Pub. 100-08 | Transmittal: 133 | Date: November 18, 2005 | Change Request 3845 |
|-------------|------------------|-------------------------|---------------------|

**SUBJECT: Enrolling Indian Health Service (IHS) Facilities as Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Suppliers**

## I. GENERAL INFORMATION

**A. Background:** Section 630 of the Medicare Modernization Act (MMA) permits IHS facilities to directly bill for itemized DMEPOS as of January 1, 2005. Previously IHS facilities could not directly bill Medicare for DMEPOS.

**B. Policy:** To enable direct billing of DMEPOS an IHS facility must enroll with the National Supplier Clearinghouse (NSC) and secure a Medicare supplier billing number. The NSC shall provide identifiers which identify IHS enrollments and IHS hospitals to facilitate proper reimbursement by DMERCs.

## II. BUSINESS REQUIREMENTS

*"Shall" denotes a mandatory requirement*

*"Should" denotes an optional requirement*

| Requirement Number | Requirements   | Responsibility ("X" indicates the columns that apply) |   |   |   |                           |   |   |   |       |     |
|--------------------|--|---|---|---|---|---------------------------|---|---|---|-------|-----|
|                    |  | F   | R | C | D | Shared System Maintainers |   |   |   | Other |     |
|                    |  |   |   |   |   | F                         | M | V | C |       |     |
| I                  | H  | A   | M | I | C | M                         | W | S |   |       |     |
| 3845.1             | NSC shall enroll suppliers with a supplier number using the A9 specialty code for newly enrolled IHS DEMPOS suppliers.                                   |   |   |   |   |                           |   |   |   |       | NSC |
| 3845.1.1           | NSC shall enroll suppliers with a supplier number using the A9/A0 specialty code for IHS/tribal hospitals and hospital-based facilities, including CAHs. |   |   |   |   |                           |   |   |   |       | NSC |
| 3845.1.2           | The NSC shall forward these specialty codes (A9 and A9/A0) to the DMERCs along with other specialty codes as appropriate.                                |   |   |   | X |                           |   | X |   |       | NSC |

| Requirement Number | Requirements  | Responsibility (“X” indicates the columns that apply) |             |                                 |                       |                           |             |             |             |             |
|--------------------|---|---|-------------|---------------------------------|-----------------------|---------------------------|-------------|-------------|-------------|-------------|
|                    |   | F<br>I  | R<br>H<br>I | C<br>a<br>r<br>r<br>i<br>e<br>r | D<br>M<br>E<br>R<br>C | Shared System Maintainers |             |             |             | Other       |
|                    |   |   |             |                                 |                       | F<br>I<br>S<br>S          | M<br>C<br>S | V<br>M<br>S | C<br>W<br>F |             |
| 3845.2             | DMERCs and VMS shall recognize IHS supplier and facility claims.  |   |             |                                 | X                     |                           |             | X           |             |             |
| 3845.2.1           | DMERCs and VMS shall process supplier and facility claims.  |   |             |                                 | X                     |                           |             | X           |             |             |
| 3845.3             | The IHS selected FI shall process claims for Prosthetics, Orthotics and Surgical Dressings from IHS/tribal hospitals and hospital based facilities.                             | X   |             |                                 |                       | X                         |             |             |             | Trailblazer |
| 3845.3.1           | The IHS selected FI shall tell IHS/tribal hospitals and hospital based facilities to bill appropriately, i.e. to bill the FI for Prosthetics, Orthotics and Surgical Dressings. | X   |             |                                 |                       |                           |             |             |             | Trailblazer |
| 3845.3.2           | DMERCs/VMS shall deny claims for Prosthetics, Orthotics and Surgical Dressings from an IHS/tribal hospital and hospital based facilities (A9/A0, “H”).                          |   |             |                                 | X                     |                           |             | X           |             |             |
| 3845.4.            | VMS shall develop a one-byte header level field   |   |             |                                 | X                     |                           |             | X           |             |             |
| 3845.4.1           | VMS shall populate this field based on the specialty codes for the provider/supplier on the claim being adjudicated.  |   |             |                                 | X                     |                           |             | X           |             |             |
| 3845.4.1.1         | VMS shall use a value of “S” to denote an IHS/supplier  |   |             |                                 | X                     |                           |             | X           |             |             |
| 3845.4.1.2         | VMS shall use a value of “H” to denote an IHS/Hospital.   |   |             |                                 | X                     |                           |             | X           |             |             |





| Requirement Number | Requirements  | Responsibility (“X” indicates the columns that apply) |             |                                 |                       |                           |             |             |             |             |
|--------------------|---|---|-------------|---------------------------------|-----------------------|---------------------------|-------------|-------------|-------------|-------------|
|                    |   | F<br>I  | R<br>H<br>I | C<br>a<br>r<br>r<br>i<br>e<br>r | D<br>M<br>E<br>R<br>C | Shared System Maintainers |             |             |             | Other       |
|                    |   |   |             |                                 |                       | F<br>I<br>S<br>S          | M<br>C<br>S | V<br>M<br>S | C<br>W<br>F |             |
|                    | <ul style="list-style-type: none"> <li>• Bone mass measurements,</li> <li>• Prostate cancer screening,</li> <li>• Colorectal cancer screening,</li> <li>• Screening pap smear,</li> <li>• Screening mammography,</li> <li>• Cardiovascular screening blood tests,</li> <li>• Diabetes screening tests,</li> <li>• Diabetes self-management training (DSMT),</li> <li>• Medical nutrition therapy services (MNT), and</li> <li>• Smoking and tobacco use cessation counseling.</li> </ul>  |   |             |                                 |                       |                           |             |             |             |             |
| 3845.10.1          | <p>The FI shall pay IHS/Tribally owned and/or operated CAHs using the facility-specific per visit rate for the following screening and preventive services:</p> <ul style="list-style-type: none"> <li>• Glaucoma screening,</li> <li>• Bone mass measurements,</li> <li>• Prostate cancer screening,</li> <li>• Colorectal cancer screening,</li> <li>• Screening pap smear,</li> <li>• Screening mammography,</li> <li>• Cardiovascular screening blood tests,</li> <li>• Diabetes screening tests,</li> <li>• Diabetes self-management training (DSMT),</li> <li>• Medical nutrition therapy services (MNT), and</li> <li>• Smoking and tobacco use cessation counseling.</li> </ul> | X   |             |                                 |                       |                           |             |             |             | Trailblazer |

| Requirement Number | Requirements  | Responsibility (“X” indicates the columns that apply) |             |                                 |                       |                           |             |             |             |       |
|--------------------|---|---|-------------|---------------------------------|-----------------------|---------------------------|-------------|-------------|-------------|-------|
|                    |   | F<br>I  | R<br>H<br>I | C<br>a<br>r<br>r<br>i<br>e<br>r | D<br>M<br>E<br>R<br>C | Shared System Maintainers |             |             |             | Other |
|                    |   |   |             |                                 |                       | F<br>I<br>S<br>S          | M<br>C<br>S | V<br>M<br>S | C<br>W<br>F |       |
| 3845.11            | The IHS selected carrier shall pay IHS/Tribally owned and/or operated freestanding clinics for covered screening and preventive services based upon the appropriate fee schedule amount.  |   |             | X                               |                       |                           |             |             | Trailblazer |       |
| 3845.12            | VMS shall use the following messages on their remittance advice:<br><br>Reason Code: When IHS claims go to the DMERC that should have gone to the FI (prosthetics, orthotics and surgical supplies), use Reason Code #109 – Claim not covered by this payer/contractor. You must send this claim to the correct payer/contractor. |   |             |                                 | X                     |                           |             | X           |             |       |
| 3845.12.1          | DMERCs and VMS shall use the most appropriate message(s) available.<br><br>NOTE: A new message will be available stating that Co-pay and deductible are waived and that the beneficiary cannot be billed. This new message and number will be communicated via a remark message update CR.  |   |             |                                 | X                     |                           |             | X           |             |       |
| 3845.13            | The shared system maintainer shall communicate the 20% reduction on the SPR as a ‘CO’ denial using adjustment reason code ‘B6’: “This payment is adjusted when performed/billed by this type of provider, by this type of provider in this type of facility, or by a provider of this specialty.”                                 |   |             |                                 | X                     |                           |             | X           |             |       |

### III. PROVIDER EDUCATION

| Requirement Number | Requirements   | Responsibility (“X” indicates the columns that apply) |             |                                 |                       |                           |             |             |             |                  |
|--------------------|--|---|-------------|---------------------------------|-----------------------|---------------------------|-------------|-------------|-------------|------------------|
|                    |  | F<br>I  | R<br>H<br>I | C<br>a<br>r<br>r<br>i<br>e<br>r | D<br>M<br>E<br>R<br>C | Shared System Maintainers |             |             |             | Other            |
|                    |  |   |             |                                 |                       | F<br>I<br>S<br>S          | M<br>C<br>S | V<br>M<br>S | C<br>W<br>F |                  |
| 3845.14            | A provider education article related to this instruction will be available at <a href="http://www.cms.hhs.gov/medlearn/matters">www.cms.hhs.gov/medlearn/matters</a> shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly. | X   |             | X                               | X                     |                           |             |             |             | NSC Trailblazers |

**IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS**

**A. Other Instructions: N/A**

| X-Ref Requirement # | Instructions |
|---------------------|--------------|
|                     |              |

**B. Design Considerations: N/A**

| X-Ref Requirement # | Recommendation for Medicare System Requirements |
|---------------------|---|
|                     |   |

**C. Interfaces: N/A**

**D. Contractor Financial Reporting /Workload Impact: N/A**

**E. Dependencies: N/A**

**F. Testing Considerations: N/A**

**V. SCHEDULE, CONTACTS, AND FUNDING**

|  |   |
|--|---|
| <p><b>Effective Date*:</b> January 1, 2005<br/><b>Implementation Date:</b> December 19, 2005 for all NSC actions.<br/>April 3, 2006 for DMERCs processing claims with A9 and A9/A0 specialty code.<br/>April 3, 2006 for CWF edits</p> <p><b>Pre-Implementation Contact(s):</b> Barry Bromberg (410) 786-9953 for NSC issues. Sue Guerin (410) 786-6138 and Joanne Spalding (410) 786- 3352 for claims processing issues.</p> <p><b>Post-Implementation Contact(s):</b> Barry Bromberg (410) 786-9953. Regional offices for DMEPOS issues.</p> | <p><b>No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budget.</b></p> |
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**\*Unless otherwise specified, the effective date is the date of service.**

# Medicare Program Integrity Manual

## Chapter 10 - Healthcare Provider/Supplier Enrollment

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### Table of Contents *(Rev. 133, 11-18-05)*

*28 - Enrolling Indian Health Services (IHS) Facilities as Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Suppliers*

**28 – Enrolling Indian Health Service (IHS) Facilities as Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Suppliers (Rev. 133, Issued: 11-18-05; Effective: 01-01-05; Implementation : 04-03-06)**

**A. National Supplier Clearinghouse (NSC) Responsibilities**

*The NSC shall enroll IHS facilities as DMEPOS suppliers in accordance with the general enrollment procedures cited in Chapter 10 of the Medicare Program Integrity Manual and the statement of work contained in the NSC contract with Medicare, with the addition of the special procedures and clarifications cited in this section.*

*For enrollment purposes Medicare recognizes two types of IHS facilities. They are a) those facilities wholly owned and operated by the IHS and b) facilities which are owned by the IHS but tribally operated or totally owned and operated by a tribe. CMS shall provide the NSC with a list of IHS facilities which distinguish between these two types. On the list the NSC shall use the column entitled, “FAC OPERATED BY”, for this purpose.*

**1. Completion of the Medicare Supplier Enrollment Application: CMS-855S Application for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Suppliers**

*The CMS-855S shall be completed in accordance with the instructions shown therein except as follows:*

*a. Facilities that are totally owned and operated by the IHS are considered a governmental organization. An Area Director of the IHS must sign the section 15 Certification Statement of the CMS – 855S, be listed in section 6 of the form and sign the letter required by section 5 of the form which attests that the IHS will be legally and financially responsible in the event that there is any outstanding debt owed to CMS.*

*b. Facilities that are tribally operated are considered tribal organizations. The section 15 Certification Statement of the CMS – 855S must be signed by a tribal official who meets the definition of an authorized official in accordance with the page 2 definitions shown on the CMS – 855S. The same authorized official must be listed in section 6 of the CMS – 855S and must sign the letter required by section 5 of the form which attests that the tribe will be legally and financially responsible in the event that there is any outstanding debt owed to CMS.*

**2. The DMEPOS Supplier Standards, Exceptions for Liability Insurance and State Licensure, and Site Visits**

*All IHS facilities, whether operated by the IHS or a tribe, enrolled by the NSC, shall meet all required standards as verified by the review procedures for all other DMEPOS suppliers except as discussed herein.*

*All IHS facilities, whether operated by the IHS or a tribe, shall be exempt from the comprehensive liability insurance requirements under 42 CFR Sec. 424.57(c)(10).*

*All IHS facilities, whether operated by the IHS or a tribe, shall be exempt from the requirement to provide any State Licenses for their facility/business. For example, if the DMEPOS supplier indicates on its application that it will be providing hospital beds and is located in a state that requires a bedding license, such licensure is not required. However, if they provide a DMEPOS item that requires a licensed professional in order to properly provide the item, they shall provide a copy of the professional license. The licensed professional can be licensed in any state or have a federal license. For example, a pharmacy does not need a pharmacy license, but shall have a licensed pharmacist.*

*Site visits shall be required for all IHS facilities (whether operated by the IHS or a tribe) enrolling for DMEPOS. This includes all hospitals and pharmacies.*

### ***3. Provider Education for IHS Facilities***

*The NSC shall modify its website to include the information contained in this section which is specific to enrollment of IHS facilities (whether operated by the IHS or a tribe).*

### ***4. Specialty Codes***

*The NSC shall apply the specialty code A9 (IHS) for all IHS enrollments (whether operated by the IHS or a tribe). However, the specialty code A9/A0 shall be applied for facilities that are IHS/tribal hospitals. Additionally other specialty codes should be applied as applicable (e.g. pharmacy).*