

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 3323	Date: August 14, 2015
	Change Request 9279

SUBJECT: October Quarterly Update for 2015 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule

I. SUMMARY OF CHANGES: The DMEPOS fee schedule is updated on a quarterly basis, when necessary, to implement fee schedule amounts for new codes and correct any fee schedule amounts for existing codes. The quarterly update process for the DMEPOS fee schedule is located in Pub. 100-04, Medicare Claims Processing Manual, chapter 23, section 60.

EFFECTIVE DATE: January 1, 2015 - (for implementation of fee schedule amounts for codes in effect on January 1, 2015; October 1, 2015 for all other changes)

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

IMPLEMENTATION DATE: October 5, 2015

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/revise 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
N/A	

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:

Recurring Update Notification

Attachment - Recurring Update Notification

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EFFECTIVE DATE: January 1, 2015 - (for implementation of fee schedule amounts for codes in effect on January 1, 2015; October 1, 2015 for all other changes)

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

IMPLEMENTATION DATE: October 5, 2015

I. GENERAL INFORMATION

A. Background: The DMEPOS fee schedules are updated on a quarterly basis, when necessary, in order to implement fee schedule amounts for new and existing codes, as applicable, and apply changes in payment policies. The quarterly update process for the DMEPOS fee schedule is located in Pub.100-04, Medicare Claims Processing Manual, chapter 23, section 60.

B. Policy: This recurring update notification provides instructions regarding the October quarterly update for the 2015 DMEPOS fee schedule. Payment on a fee schedule basis is required for durable medical equipment (DME), prosthetic devices, orthotics, prosthetics and surgical dressings by §1834(a), (h), and (i) of the Social Security Act. Also, payment on a fee schedule basis is a regulatory requirement at 42 CFR §414.102 for parenteral and enteral nutrition (PEN), splints and casts, and intraocular lenses (IOLs) inserted in a physician's office.

As part of this update, fee schedules are established for the following Healthcare Common Procedure Coding System (HCPCS) codes added to the HCPCS file effective January 1, 2005:

E0639 Patient lift, moveable from room to room with disassembly and reassembly, includes all components/accessories

E0640 Patient lift, fixed system includes all components/accessories

The DME MACs have been paying claims for codes E0639 and E0640, and if they continue, these claims must be paid in accordance with the payment rules of the statute at §1834(a). The fee schedule for both codes were established using fees for comparable items in accordance with the instructions found in the Medicare Claims Processing Manual (100-04), Chapter 23, section 60.3. An average of the existing hydraulic or mechanical patient lift code E0630 and the electric patient code E0635 were used to establish the capped rental fee schedule amounts for the hydraulic or electric patient lifts described under E0639 and E0640. The fee schedules for E0639 and E0640 are effective for dates of service on or after January 1, 2015. This update also revises the type of service for HCPCS codes E0639 and E0640 from "9" to "R".

This update also provides revised fee schedules for speech generating device (SGD) HCPCS codes E2500, E2502, E2504, E2506, E2508, E2510 and E2351 per the recent amendments to Section 1834(a)(2)(A) of the Social Security Act. The Steve Gleason Act of 2015 was signed by the President on July 30, 2015 and changes the DME payment category for SGDs and accessories essential for the effective use of the SGD furnished between October 1, 2015 and September 30, 2018 from capped rental (CR) to inexpensive or routinely purchased (IN). Instructions relating to the implementation of the SGD amendments to Section 1834(a)(2)(A) were issued in Change Request 9179, dated June 12, 2015. The NU, UE, and RR fee schedule amounts for codes E2500, E2502, E2504, E2506, E2508, E2510 and E2351 are being added to the fee schedule file as part of this update.

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 S	Shared- System Maintainers				Other	
		A	B	H H H		F I S S	M C S	V M S	C W F		
9279.1	The DME MACs, Part B MACs and/or VDCs shall retrieve the DMEPOS fee schedule file (filename: MU00.@BF12393.DMEPOS.T150101.V0818). The file is available for download on or after August 18, 2015.		X		X						VDC
9279.1.1	Notification of successful receipt shall be sent via email to price_file_receipt@cms.hhs.gov stating the name of the file received and the entity receiving the file (e.g., contractor name and number).		X		X						VDC
9279.2	The Part A MACs, HHH MACs and/or VDCs shall retrieve the DMEPOS fee schedule file (filename: MU00.@BF12393.DMEPOS.T150101.V0818.FI). The file is available for download on or after August 18, 2015.	X		X							VDC
9279.2.1	Notification of successful receipt shall be sent via email to price_file_receipt@cms.hhs.gov stating the name of the file received and the entity receiving the file (e.g., contractor name and number).	X		X							VDC
9279.3	Contractors shall use the 2015 fee schedule amounts from the DMEPOS fee schedule files of business requirements 1 and 2 to pay claims with dates of service on or after October 1, 2015.	X	X	X	X						
9279.3.1	Contractors shall use the 2015 fee schedule amounts from the DMEPOS fee schedule files of business requirements 1 and 2 when paying claims for codes E0639 and E0640 with dates of service on or after January 1, 2015.			X	X						
9279.4	Contractors shall revise the type of service (TOS) for HCPCS codes E0639 and E0640 from TOS "9" to "R", effective October 1, 2015.				X					X	
9279.5	Contractors shall not research and adjust any claims paid for codes E0639 and E0640 with dates of service on or after January 1, 2015. However, contractors may adjust claims brought to their attention.			X	X						
9279.6	Effective October 1, 2015, codes E0639 and E0640				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	
	shall be classified as capped rental.									
9279.7	Effective for dates of service on or after October 1, 2015 through September 30, 2018, contractors shall use the NU, RR and UE fee schedules to pay claims for codes E2500, E2502, E2504, E2506, E2508, E2510 and E2351.			X	X					

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		
9279.8	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	X	X	X	

IV. SUPPORTING INFORMATION

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

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information: N/A
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Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Karen Jacobs, Karen.Jacobs@cms.hhs.gov , Anita Greenberg, Anita.Greenberg@cms.hhs.gov

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