

# Program Memorandum Carriers

Department of Health &  
Human Services (DHHS)  
Centers for Medicare &  
Medicaid Services (CMS)

Transmittal B-03-055

Date: AUGUST 1, 2003

## CHANGE REQUEST 2613

**SUBJECT:** Common Working File (CWF) Crossover Editing for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Claims During an Inpatient Stay

### I - GENERAL INFORMATION

#### A - Background:

This Program Memorandum (PM) corrects improper denials for DMEPOS when a beneficiary is institutionalized.

In general, the DMEPOS benefit is meant only for items a beneficiary is using in his or her home. For a beneficiary in a Part A inpatient stay, an institutional provider (e.g., hospital) is not defined as a beneficiary's home for DMEPOS, and so Medicare does not make separate payment for DMEPOS when a beneficiary is in the institution. The institution is expected to provide all medically necessary DMEPOS during a beneficiary's covered Part A stay.

However, there is an exception to the general rule above. In accordance with DMEPOS payment policy, Medicare will make a separate payment for a full month for DMEPOS items, provided the beneficiary was in the home on the "from" date or anniversary date defined below.

For capped rental items of durable medical equipment (DME) where the DME supplier submits a monthly bill, the date of delivery ("from" date) on the first claim must be the "from" or anniversary date on all subsequent claims for the item. For example, if the first claim for a wheelchair is dated September 15, all subsequent bills must be dated for the 15<sup>th</sup> of the following months (October 15, November 15, etc.).

#### B - Policy:

If a beneficiary using DMEPOS is at home on the "from" date or anniversary date, Medicare will make payment for the DMEPOS for the entire month, even if the "from" date is the date of discharge from the institutional provider.

If a beneficiary using DMEPOS is in a covered Part A stay for a full month, Medicare will not make payment for the DMEPOS for that month.

For capped rental items, if the covered Part A stay overlaps the anniversary date ("from" date on the claim), and the beneficiary is not in the covered Part A stay for the entire month, the date of discharge becomes the new anniversary date ("from" date on the claim) for subsequent claims. In this situation, the supplier must submit a new claim with

the date of discharge as the new anniversary date upon the beneficiary's release from the institution. Suppliers should annotate the HAO record in NSF claims, 2300 NTE and 2400 NTE for ANSI claims, or field 19 for paper claims, to indicate that the patient was in an institution, resulting in the need to establish a new anniversary date.

## II. BUSINESS REQUIREMENTS

Req. #	Requirements	Resp.
2613.1	The CWF shall reject a DMERC claim that contain DMEPOS HCPCS codes when the DMERC claim has a date of service that falls within the inpatient stay.	CWF
2613.1.1	The CWF shall consider an inpatient stay to include all days prior to the date of discharge.	CWF
2613.2	The CWF shall process a DMERC claim that contain DMEPOS HCPCS codes when the DMERC claim has the same "from" date equal to the date of inpatient discharge.	CWF
2613.3	The CWF shall validate for a crossover service on a DMERC claim for an inpatient beneficiary based on the "from" date only of the DMERC claim.	CWF
2613.4	The CWF shall identify a DMERC claim for maintenance and servicing by the "MS" modifier.	CWF
2613.5	The CWF shall allow payment for a DMERC claim for maintenance and servicing of capped rental items when a claim contains the "MS" modifier.	CWF
2613.6	<p>The DMERCs shall post on their Web sites the following information, within two weeks of receipt of this PM.</p> <ul style="list-style-type: none"> <li>When the "from" date on the DMEPOS claims falls within an inpatient stay and the beneficiary returns home within the same calendar month, the supplier must submit a new claim on the date of discharge from the institutional provider and the date of discharge will become the "from" (anniversary) date for all subsequent claims.</li> </ul>	DMERCs
2613.7	<p>The DMERCs shall publish in their next regularly scheduled bulletin, the following information:</p> <ul style="list-style-type: none"> <li>When the "from" date on the DMEPOS claims falls within an inpatient stay and the beneficiary returns home within the same calendar month, the supplier must submit a new claim on the date of discharge from the institutional provider and the date of discharge will become the "from" (anniversary) date for all subsequent claims.</li> </ul>	DMERCs
2613.8	<p>The DMERCs shall place on their next regularly scheduled listservs that addresses provider education, the following information:</p> <ul style="list-style-type: none"> <li>When the "from" date on the DMEPOS claims falls within an inpatient stay and the beneficiary returns home within the same calendar month, the supplier must submit a new claim on the date of discharge from the institutional provider and the date of discharge will become the "from" (anniversary) date for all subsequent claims.</li> </ul>	DMERCs

### **III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS**

#### **Other Instructions:**

<b>X-Ref Req. #</b>	<b>Instructions</b>
2613.5	The CWF approves to pay maintenance and servicing claims regardless of whether the beneficiary is in an institutional setting or in the home environment.
2613.6, 2613.7, 2613.8	The changes in the general policy in this PM, apply to all items of DMEPOS paid by the DMERCs, however changes in anniversary date billing only apply to capped rental DME.
2613.6, 2613.7, 2613.8	In cases where the anniversary date falls at the end of the month (for example January 31) and a subsequent month does not have a day with the same date (for example, February), use the final date in the calendar month (for example, February 28).

#### **Example 1:**

A beneficiary rents a wheelchair beginning on January 1. The Durable Medical Equipment Regional Carrier (DMERC) determines that the wheelchair is medically necessary and that the beneficiary meets all coverage criteria, and so begins to make payment on the wheelchair. The beneficiary enters a covered hospital on February 15 and is discharged on April 5.

In this example, Medicare will make payment for the entire month of February, because the patient was in the home for part of the month. However, the DMERC will deny the claim for March, because the patient was in a covered hospital stay for the entire month.

Because the anniversary date (“from” date) of the monthly bill was April 1, and the patient was still in the covered hospital stay on that date, the DME supplier must not submit another claim until April 5 (the date of discharge). April 5 becomes the new anniversary date (“from” date) for billing purposes, so the supplier would now bill on the 5<sup>th</sup> of the month rather than the 1<sup>st</sup> of the month for the remainder of the capped rental period. The supplier should annotate the HAO record (field 19 for paper claims) to indicate that the patient was in a hospital on the first claim with the new anniversary date.

#### **Example 2:**

A beneficiary receives oxygen on January 1. On February 28, the patient enters a hospital and is discharged on March 15.

In this example, the DMERC would deny a claim dated March 1. The supplier would submit a new claim dated March 15, which would then become the anniversary date for billing purposes. The supplier should annotate the HAO record (field 19 for paper claims) to indicate that the patient was in a hospital on the first claim with the new anniversary date.

#### **Example 3:**

A beneficiary rents a hospital bed beginning on January 1. On March 15, the patient enters a hospital and is discharged on March 25.

In this example, the DMERC will make payment for the entire month of March.

**Example 4:**

A beneficiary rents a wheelchair beginning December 15. On January 1, the patient enters a hospital and is discharged on January 31.

In this example, the DMERC will deny the claim dated January 15. The supplier would submit a new claim dated January 31, which would then become the anniversary date for billing purposes. The supplier should annotate the HAO record (field 19 for paper claims) to indicate that the patient was in a hospital on the first claim with the new anniversary date. The February claim would be dated February 28 because there is no 31<sup>st</sup> day in February.

**IV. ATTACHMENT: None**

<b>Implementation Date: January 1, 2004</b>	<b>Effective Date: January 1, 2004</b>
<b>Discard Date: January 1, 2005</b>	<b>Funding: These instructions should be implemented within your current operating budget</b>  <b>Contact: Appropriate regional office</b>