

Medicare Referring Provider Durable Medical Equipment, Prosthetics, Orthotics and Other Supplies (DMEPOS) Transparency Data (CY2013)

The Centers for Medicare & Medicaid Services (CMS) released a new dataset, the Referring Provider Durable Medical Equipment, Prosthetics, Orthotics and Other Supplies (DMEPOS) Public Use File (Referring Provider DMEPOS PUF). This dataset, which is part of CMS's Medicare Provider Utilization and Payment Data, details information on DMEPOS products and services provided to Medicare beneficiaries via referrals through physicians and other healthcare professionals. Some examples include wheelchairs, walkers, oxygen supplies, nebulizers, and diabetes testing supplies, as well as other products such as enteral/parenteral nutrition, inhalation solutions, and certain chemotherapy drugs. These new data include information on 385,915 referring providers, over 100 million claims, and \$11 billion in allowed payments for 2013. The data is posted on the CMS website at: <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Provider-Charge-Data/DME.html>.

The data set identifies individual providers who referred DMEPOS specific services using their National Provider Identifier (NPI). These services have been furnished by suppliers of DMEPOS and have been identified using Healthcare Common Procedure Coding System (HCPCS) codes. For each referring provider and DMEPOS service, the data set has the total number of services that were furnished by DMEPOS suppliers, the supplier's average charge, the average Medicare payment, and the average Medicare allowed amount, which is the sum of Medicare's payment and any deductible or coinsurance owed by the beneficiary. To protect the privacy of Medicare beneficiaries, any aggregated records which are derived from 10 or fewer claims are excluded from the Referring Provider DMEPOS PUF.

The Referring Provider DMEPOS data allow for many types of analyses to be performed. For example, the data allow for summary analyses to be conducted by provider specialty. Table 1 below displays the patterns of DMEPOS utilization and Medicare allowed amounts for the ten largest referring provider specialties. Internal Medicine and Family Practice are the largest referring specialties with more than 80,000 unique providers in each specialty prescribing DMEPOS products. These providers refer an average of 36 and 38 DMEPOS products, respectively, and make referrals to a higher number of DMEPOS suppliers than most other common specialties. Conversely, Cardiology and Urology specialists refer fewer unique products and have fewer unique suppliers. Additionally, the data show that allowed amounts for referred DMEPOS products vary among these top provider specialty types, from a low of \$12K for Physician Assistants to a high of \$156K for Pulmonary Disease specialists (likely due to the large amount of oxygen and nebulizer supplies prescribed by Pulmonary Disease specialists).

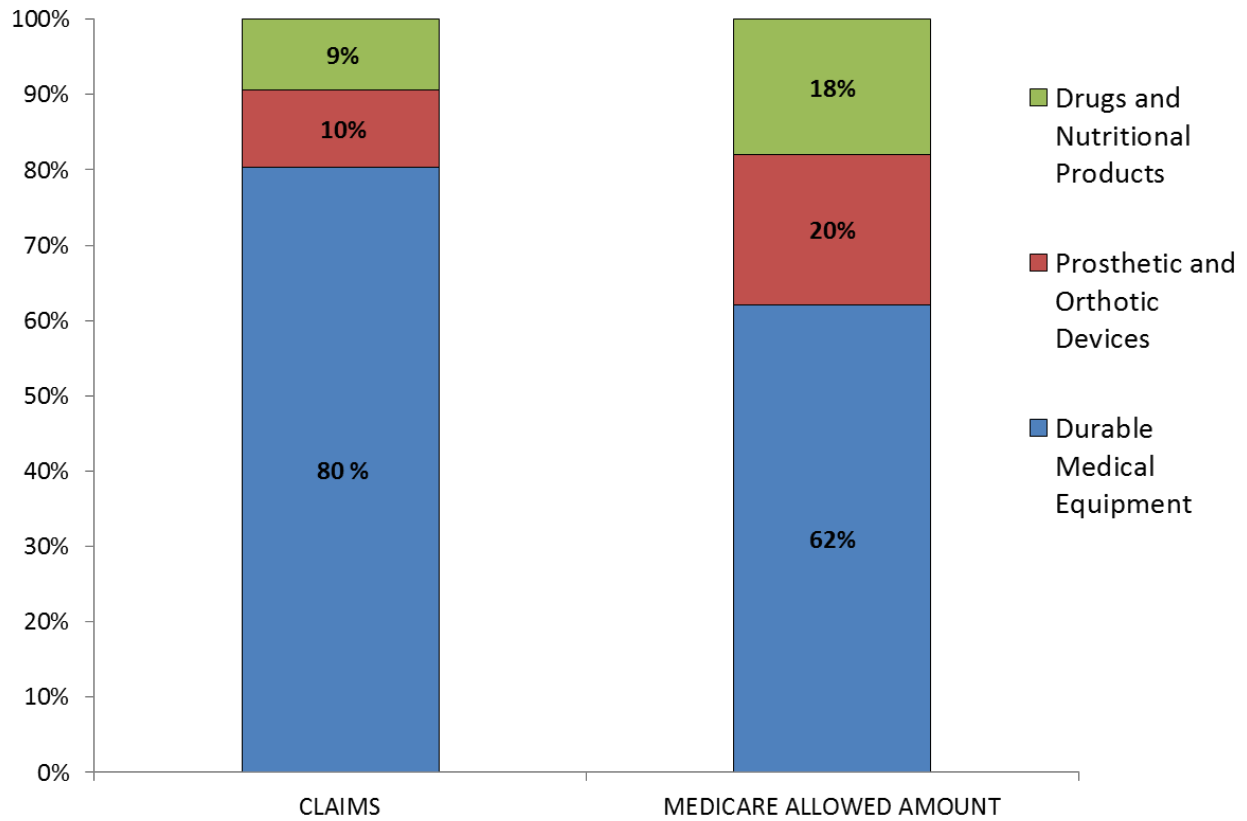
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Table 1. Average DMEPOS Medicare Allowed Amounts and Number of Unique Products for Common Referring Provider Specialties, 2013.

Referring Provider Specialty	Number of Referring Providers	Average Number of Unique DMEPOS Suppliers	Average Number of Unique DMEPOS Product Types	Average DMEPOS Allowed Amount
Internal Medicine	87,107	25	36	\$29,954
Family Practice	81,603	25	38	\$27,982
Nurse Practitioner	34,577	12	18	\$16,381
Physician Assistant	21,223	11	17	\$12,285
Orthopedic Surgery	17,598	10	24	\$23,238
General Surgery	10,699	7	19	\$25,796
Cardiology	10,526	10	15	\$38,929
Podiatry	9,656	6	18	\$22,372
Pulmonary Disease	8,513	34	38	\$156,021
Urology	7,975	9	15	\$24,631

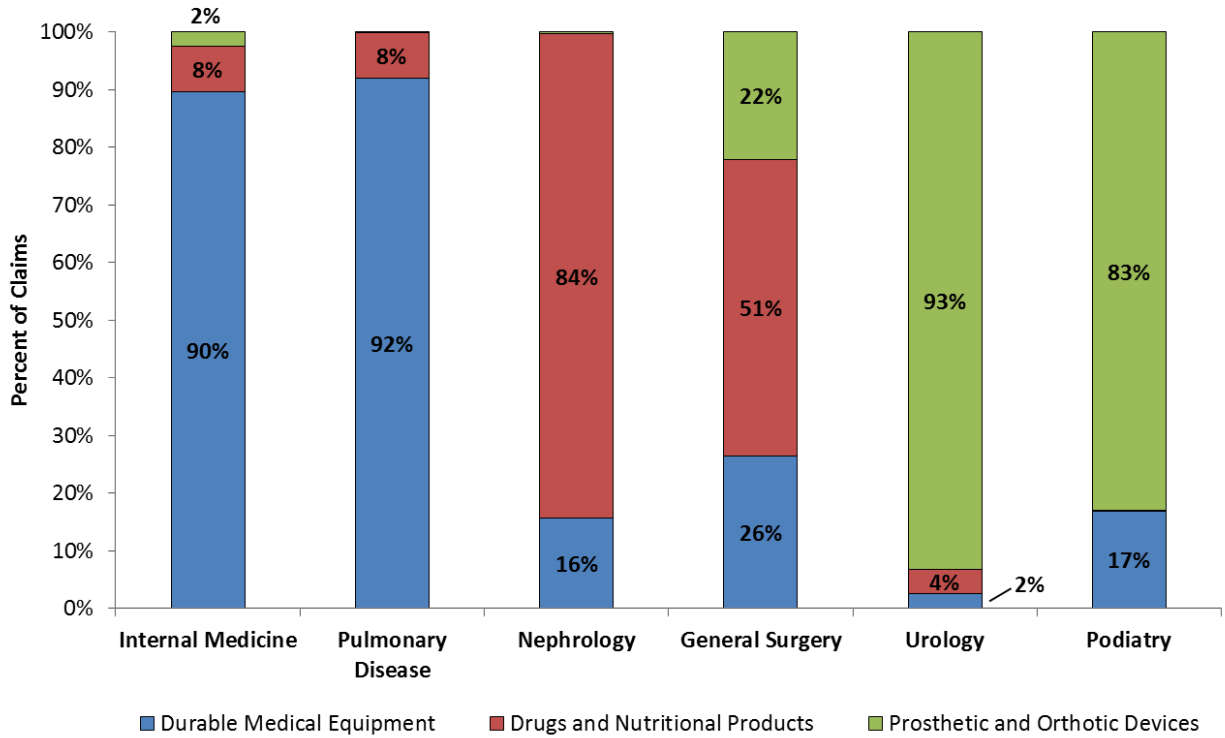
Chart 1 below shows another type of comparison that can be conducted using the new DMEPOS data. The left column represents DMEPOS utilization as measured by the number of claims and the right column reflects the Medicare allowed amount, both categorized by BETOS Classification Group (i.e., Durable Medical Equipment; Prosthetic and Orthotic Devices; and Drugs and Nutritional Products). Durable medical equipment claims accounted for 80% of all DMEPOS claims and 62% of the total Medicare allowed amount for DMEPOS services. Claims for prosthetic and orthotic devices, drugs and nutritional products accounted for a disproportionate share of the total allowed amount for DMEPOS services. Prosthetic and orthotic devices accounted for 10% of claims but 20% of the total allowed amount, while drugs and nutritional products accounted for 9% of claims and 18% of allowed amounts.

Chart 1. Distribution of DMEPOS Claims and Medicare Allowed Amount by Category, 2013.



The DMEPOS PUF files also can be used to examine how the referring of DMEPOS products varies across provider specialties. Chart 2 below shows the distribution of claims categorized by BETOS Classification Group across common referring provider specialties. Specialties such as Internal Medicine and Pulmonary Disease refer a higher percentage of Durable Medical Equipment products than other specialties, while provider specialties such as Urology and Podiatry refer a higher percentage of Prosthetics and Orthotic Devices.

Chart 2. Distribution of DMEPOS Claims by Category for Common Referring Provider Specialties, 2013.



The DMEPOS PUF data file can also be used to examine the referring of specific DMEPOS services by provider specialty. Chart 3 below shows the Medicare allowed amount overall and for the top HCPCS across common referring provider specialties. For both Internal Medicine and Pulmonary Disease, oxygen concentrators were the top referred service based upon the Medicare allowed amount, accounting for approximately 25% of each specialties total Medicare allowed amount. For Urology, the total Medicare allowed amount for DMEPOS services was \$142,170,509 and urinary catheters accounted for 40% of the total Medicare allowed amount.

Chart 3. DMEPOS Medicare Allowed Amount Overall and for the Top HCPCS by Referring Provider Specialty, 2013.

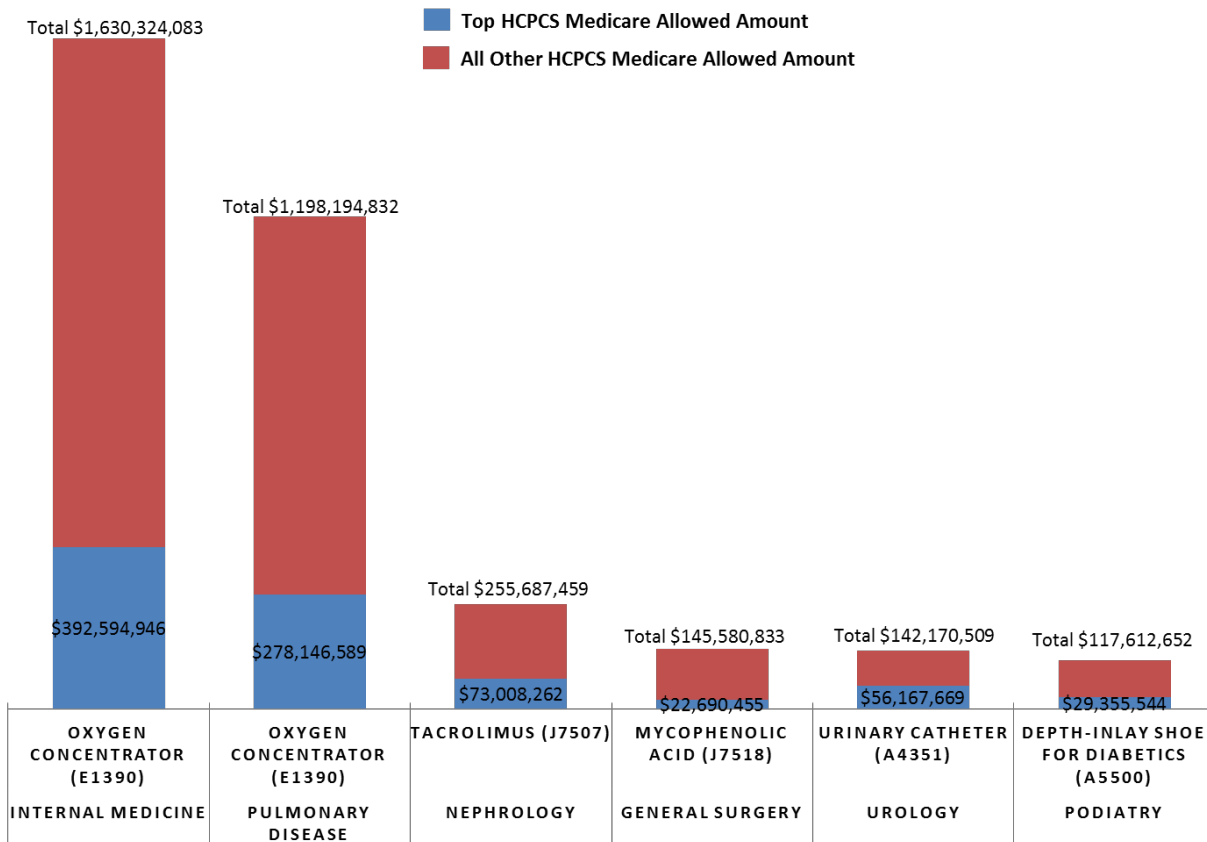
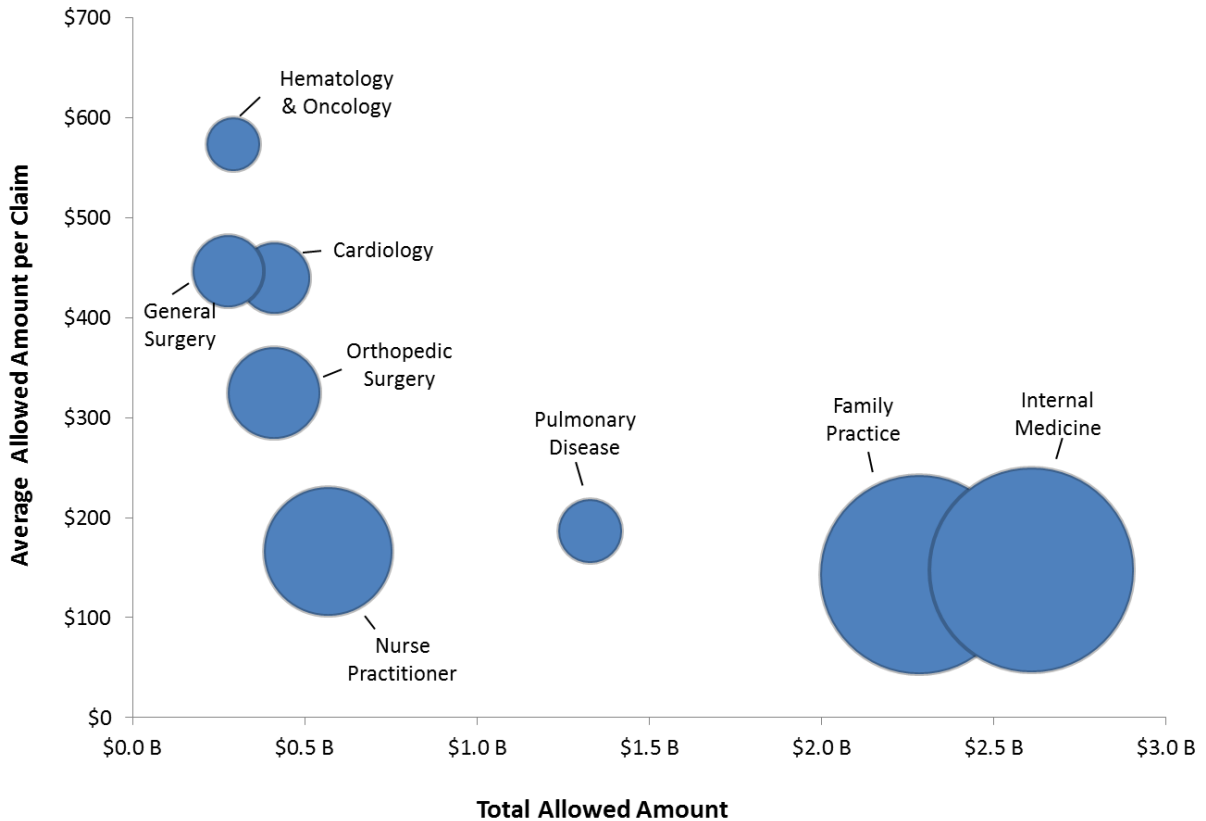


Chart 4 below shows, for the ten largest referring provider specialties, the relationship between the average Medicare allowed amount per referred DMEPOS claim (y-axis) and the total Medicare allowed amount that those DMEPOS referrals contributed to the Medicare program (x-axis) in 2013. Also, the numbers of providers in that specialty are represented by bubble size. Internal Medicine and Family Practice physicians comprise the largest specialties who referred DMEPOS products. The DMEPOS referred by these providers have large total allowed amounts in the Medicare program, but their average allowed amount per referred claim is low compared to some other specialties. Conversely, Hematology/Oncology, Cardiology, and General Surgery professionals comprised much smaller groups of providers and referred lower total allowed amounts, but have higher average allowed amounts per DMEPOS claim than Family Practice and Internal Medicine.

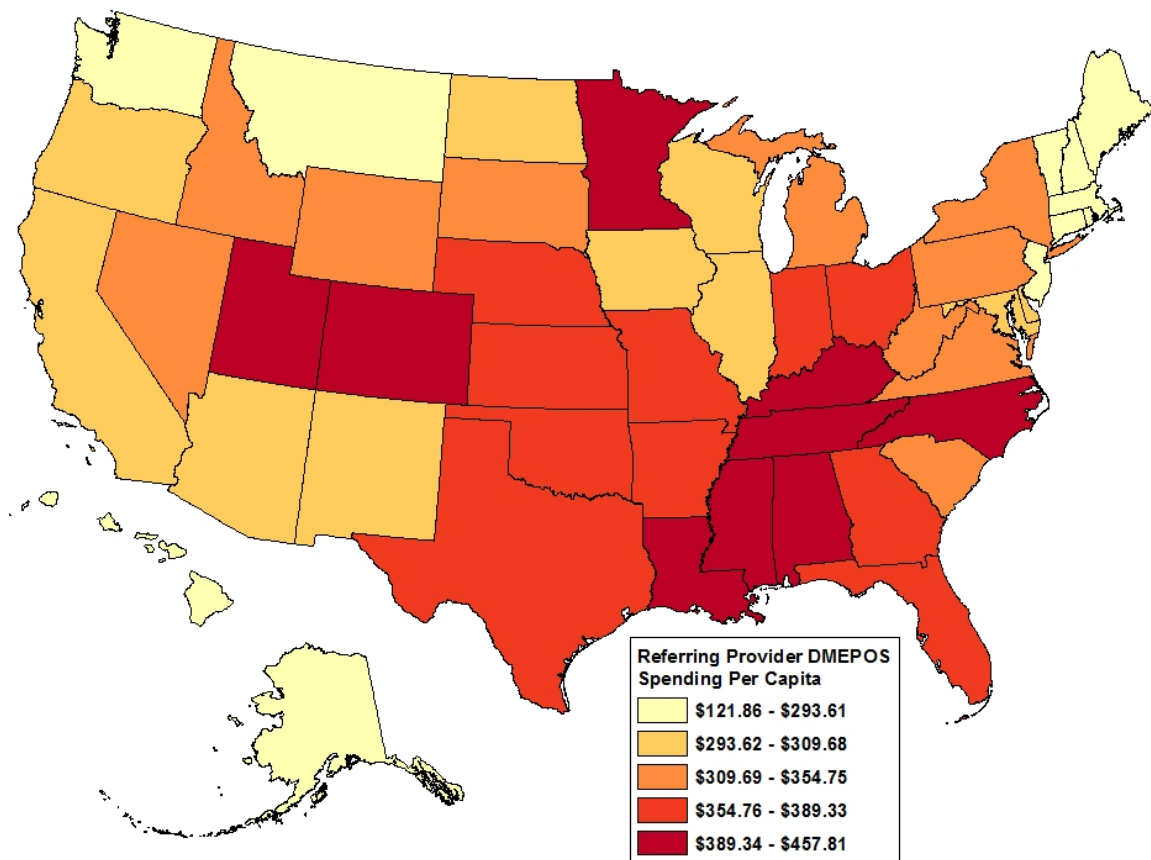
Chart 4. Average DMEPOS Medicare Allowed Amount per Claim versus Total Allowed Amount for Selected Top Specialties, 2013.



*Bubble size reflects the number of providers that referred DMEPOS products in 2013

The DMEPOS data can be used for geographic comparisons of costs and utilization of DMEPOS services/products and when combined with data on the number of beneficiaries enrolled in Medicare Part B coverage, per capita averages can be calculated. Map 1 below displays the per capita Medicare allowed amounts for all DMEPOS products by state for 2013. Nationally, the per capita allowed amount for all DMEPOS was \$343.70 per enrolled beneficiary. As the map demonstrates, states with the highest allowed amount rates were in the South and Midwest, and states with the lowest rates were in the West and Northeast.

Map 1. Per Capita DMEPOS Medicare Allowed Amount by State, 2013.



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