

# Prior Authorization of Power Mobility Devices (PMD) Demonstration



# Definition PMD Included in the Demonstration

Included	
All power operated vehicles	K0800 - K0805 K0809 - K0812
All standard power wheelchairs	K0813 - K9829
All Group 2 complex rehabilitative power wheelchairs	K0835 - K0843
All Group 3 complex rehabilitative power wheelchairs without power options	K0848 - K0855
All pediatric power wheelchairs	K0890 - K0891
Miscellaneous power wheelchairs	K0898
Excluded	
Group 3 complex rehabilitative power wheelchairs with power options	K0856 - K0864

# Same Coverage and Documentation Requirements as Before

- NCD and LCD coverage are unchanged
- Documentation requirements are unchanged
- Time frames for visit/order/deliver are unchanged

**The demonstration does NOT create any new documentation requirements**

**It simply requires the information be submitted earlier in the claims process.**

Current requirements can be found on the MAC website.

# Also Unchanged

- The DME MAC will be conducting these reviews
- All Advanced Beneficiary Notice (ABN)
- Advanced Determination of Medicare Coverage process outside the demonstration area
- Claim appeal rights

# What WILL Change?

- Suppliers will know BEFORE THE ITEM IS DELIVERED whether Medicare will pay for the PMD
- Beneficiary will be notified BEFORE THE ITEM IS DELIVERED to his/her home whether Medicare will pay for the PMD\*
- CMS will reduce the reliance on “pay and chase” methods of fighting improper payments

But only in those cases where the physician/practitioner or supplier chooses to use prior authorization process

\* CMS strongly encourages beneficiaries to use suppliers who will utilize the Medicare prior authorization process and accept assignment

# What happens if I don't use the prior authorization process?

- Pre-Payment Review....
  - If a supplier submits a claim without first seeking prior authorization
    1. The claim will be stopped for prepayment review
      - DME MAC sends Additional Request letter and waits 45 days for a response
      - DME MAC reviews submitted documentation within 60 days
    2. The Payment amount will reduced by 25%\*
      - Without a prior authorization decision, the beneficiary will not know whether Medicare will Pay for the PMD (and the beneficiary may be financially liable)

**CMS strongly encourages suppliers to utilize the Medicare prior authorization process**

\* Starting December 1, 2012. Does not apply to Competitive Bid suppliers when their contract areas.

# When

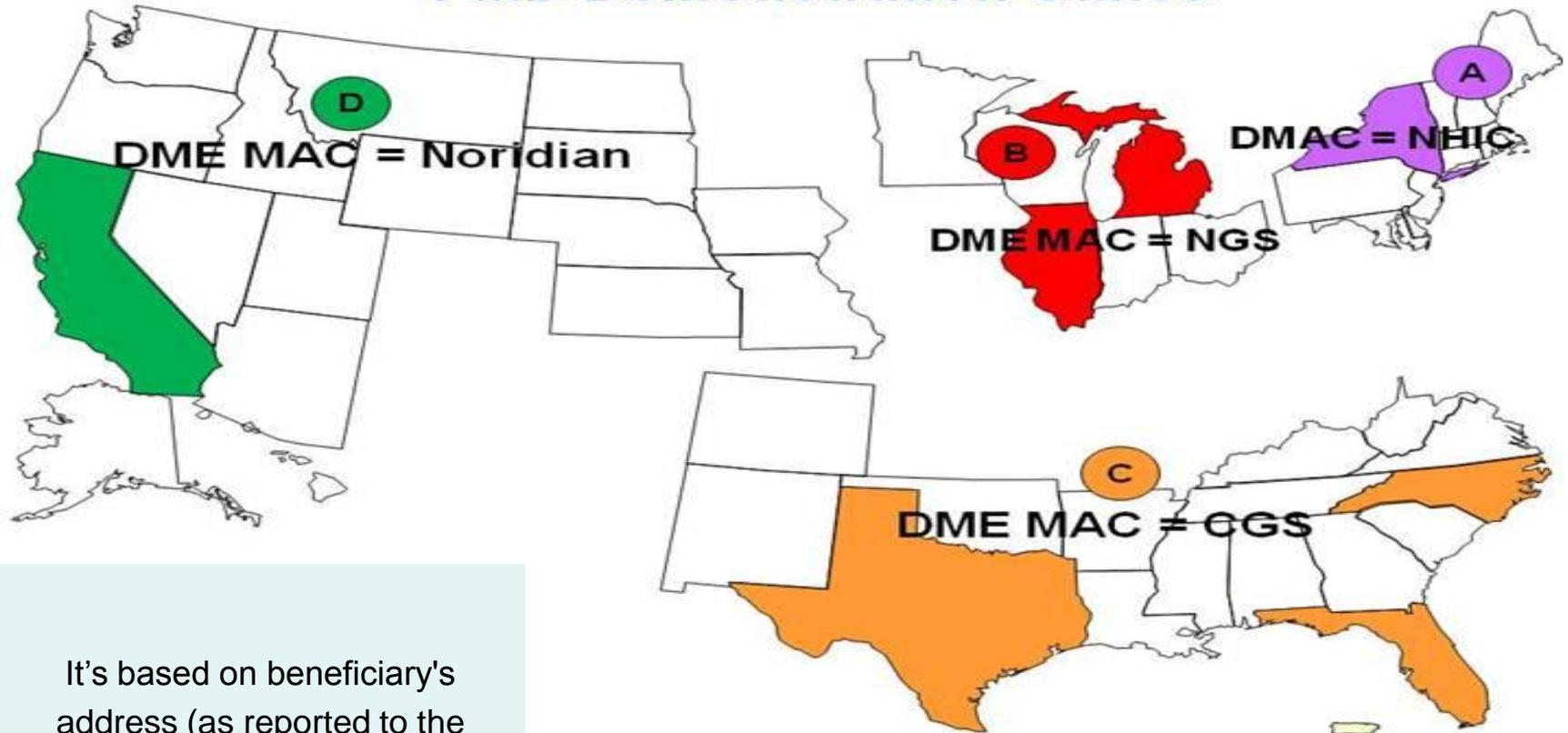
- The demonstration will begin for orders written on or after September 1, 2012
- The demonstration will end for orders written on or after September 1, 2015.

# Education and Outreach

- Mailings to Medicare suppliers and physicians
- Open Door Forum Conference calls hosted by CMS
- DME MAC webinars
- DME MAC live education events
- CMS visits to physicians and suppliers in each demonstration state

# Where

## PMD Demonstration States



It's based on beneficiary's address (as reported to the Social Security Administration)

# Prior Authorization Request Content

- Request needs to identify
  - The Beneficiary's Name, Medicare Number, and Date of Birth
  - The Physician's Name, National Provider Identifier (NPI) and Address
  - The Supplier's Name , NPI and Address
  - HCPCS Code of the PMD
  - Submission Date
- Request must include:
  - Face-to-face evaluation documentation (created by the physician/practitioner)
  - 7 element order (created by the physician/practitioner)
  - Detailed product description (created by the supplier)
  - Any other medical documentation to support the LCD requirements.

# Prior Authorization Request Submission

- Ordering physician/practitioner or supplier may submit the request
- The request can be:
  - Mailed (check DME MAC website for address)
  - Faxed (check DME MAC website for fax number)
  - Beginning in the Fall 2012: esMD'ed\*

\*

More info about Electronic Submission of Medical Documentation (esMD) can be found at [www.cms.gov/esMD](http://www.cms.gov/esMD)

# Review Timeframes

- Initial Requests
  - The DME MAC will make every effort to review request and postmark decision letter within **10 business days**
- Subsequent Requests
  - The DME MAC will make every effort to review request and postmark decision letter within **20 business days**
  - In rare circumstances a 48 hour expedited review for emergencies is available.

# The Decision Letter

- Decision letters will be sent to:
  - Physician/practitioner
  - Beneficiary
  - Supplier
- Decision letters that do not affirm the prior authorization request will
  - Provide a detailed written explanation outlining which specific policy requirement(s) was/were not met.

# When a Prior Authorization Request is Submitted but Not Affirmed

- A submitter can:
  1. Resolve the non-affirmative reasons described in the decision letter and resubmit the PA request
  2. Deliver the PMD and submit a claim
    - The claim will be denied
    - All appeal rights are engaged

# Resubmission and Appeals

- Remember:
  - For non-affirmed prior authorization **requests**, unlimited resubmissions are allowed
    - These requests are not considered appeals
  - For denied **claims**, all normal appeal rights apply

# Scenarios

	Prior authorization request is	The DME MAC decision is	The supplier chooses to	The DME MAC will
1	Submitted	Affirmative	Submit a claim	Pay the claim (as long as all other requirements are met).
2	Submitted	Non- Affirmative	<ul style="list-style-type: none"> <li>a. Submit a claim</li> <li>b. Fix and resubmit a PA request</li> </ul>	Deny the claim.
3	Not submitted	N/A	Submit a claim ( <b>Competitive Bid Supplier</b> ).	<ul style="list-style-type: none"> <li>• <b>Develop the claim.</b></li> <li>• Review the claim.</li> <li>• If payable for contract bid winner, pay at scheduled amount.</li> </ul>
4	Not submitted	N/A	Submit a claim ( <b>Non Competitive Bid Supplier</b> ).	<ul style="list-style-type: none"> <li>• <b>Develop the claim.</b></li> <li>• Review the claim.</li> <li>• If payable for non-contract bid winner, pay at 75%.*</li> </ul>

\* Applies only to codes in the demonstration, not accessories and starts for orders written on or after December 1, 2012

# Physician Reimbursement

- Physician/Practitioner can bill G9156 after he/she submits an initial Prior Authorization Request.
  - G-code is billed to the A/B MAC contractors with the Prior Authorization tracking number.
  - Only one G-code may be billed per beneficiary per PMD even if the physician/practitioner must resubmit the request.
  - Code is not subject to co-insurance and deductible.
- This provides some compensation to the **physician/ practitioner** for the additional time spent if he/she is the entity submitting a Prior Authorization request.

# Beneficiary Impact

- The PMD benefit is not changing.
- Beneficiaries will receive a notification of the decision about their prior authorization request.
- CMS encourages beneficiaries to use suppliers who accept assignment.

# What Should I Do?

Resources for Medicare  
Providers and Suppliers

# References on PMDs from the MACs

- Jurisdiction A: NHIC, Corp.
  - <http://www.medicarenhic.com/dme>
- Jurisdiction B: National Government Services (NGS)
  - <http://www.ngsmedicare.com/wps/portal/ngsmedicare/home>
- Jurisdiction C: CGS
  - <http://www.cgsmedicare.com/jc>
- Jurisdiction D: Noridian Administrative Services, LLC (NAS)
  - <https://www.noridianmedicare.com/dme>

# CMS Resources

- Look for a certified letter to arrive from CMS that outlines the demonstration project
- Demonstration Project Web Site [go.cms.gov/PADemo](http://go.cms.gov/PADemo)
  - Demonstration Operational guide
  - Fact Sheet
  - Background

# CMS Resources

- Open Door Forum Conference Calls
  - August 29, 2012
  - September 2012 TBD
  - October 2012 TBD
    - Check [go.cms.gov/PADemo](http://go.cms.gov/PADemo) for the conference info
    - Previous ODF call transcripts are available at:

[https://www.cms.gov/Outreach-and-Education/Outreach/OpenDoorForums/ODF\\_SpecialODF.html](https://www.cms.gov/Outreach-and-Education/Outreach/OpenDoorForums/ODF_SpecialODF.html)

# Summary

Where	Beneficiaries in CA, IL, MI, NY, NC, FL & TX
The demonstration will begin for:	For orders written on or after September 1, 2012
Submitted by:	Physician/Practitioner or supplier on behalf of the Physician/Practitioner.
Ends:	For orders written on or after August 31, 2015

# For More Information

Email the Prior Authorization Team	<a href="mailto:Pademo@cms.hhs.gov">Pademo@cms.hhs.gov</a>
CMS Demonstration Website	<a href="http://Go.cms.gov/PADemo">Go.cms.gov/PADemo</a>
FAQs	<a href="http://Go.cms.gov/PAFAQ2012">Go.cms.gov/PAFAQ2012</a> Keyword: PMD
Follow us on Twitter	<a href="https://twitter.com/CMSGov">@CMSGov</a> (Look for #pmd_demonstration)



# Questions