

Prior Authorization of Power Mobility Devices (PMD) Demonstration Expansion: Executive Summary



Prior Authorization of Power Mobility Devices (PMDs)

Durable Medical Equipment Medicare Administrative Contractors (DME MAC) will review prior authorization requests for scooters and power wheelchairs (collectively referred to as PMDs) under Medicare Fee-For-Service.

What

- Scooters- costing \$1500
- Power wheelchairs- costing upwards of \$3,600 over the course of the rental

HHS OIG reported that **80 percent** of claims for power wheelchairs did not meet Medicare coverage requirements.

Source: <http://oig.hhs.gov/newsroom/news-releases/2011/wheelchair-medicare.asp>

Initial Prior Authorization of Power Mobility Devices (PMDs)

When

- The initial PMD Prior Authorization Demonstration started for written orders on or after September 1, 2012

Where

- Initial states: CA, FL, IL, MI, NC, NY, and, TX

Expanded Prior Authorization of Power Mobility Devices (PMDs)

When

- October 1, 2014 for the additional 12 states

Where

- Additional states: AZ, MD, NJ, PA, IN, KY, OH, GA , TN, LA, MO, and WA.

These 19 states account for 71% of the total PMD expenditures for 2011.

Same Coverage and Documentation Requirements as Before

- NCD and LCD coverage are unchanged
- Documentation requirements are unchanged
- Time frames for visit/order/delivery 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 DME MAC website.

Prior Authorization

Ordering **physician/practitioner or supplier** submits a prior authorization request to the DME MAC including:

- Face-to-face evaluation documentation (Nationwide, Physicians can use templates)
- 7 element order
- Detailed product description
- Any other medical documentation to support the Local Coverage Determination (LCD) requirements.

Prior Authorization

- The DME MAC will review request and postmark notification of a written decision within **10 business days** to the Physician/practitioner, Beneficiary, and Supplier.
- The DME MAC will:
 - Affirm (approve) the request or,
 - Non-affirm (deny) the request. If non-affirm, DME MAC will provide detailed written explanation outlining which specific policy requirement(s) was/were not met.
 - **Unlimited requests** may be submitted.
 - DME MAC will review SUBSEQUENT requests within **20 business days**.

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	Submit a claim	Deny the claim.
3	Not submitted	N/A	Submit a claim (Competitive Bid Supplier).	<ul style="list-style-type: none"> • Develop the claim. • Review the claim. • If payable for contract bid winner, pay at scheduled amount.
4	Not submitted	N/A	Submit a claim (Non Competitive Bid Supplier).	<ul style="list-style-type: none"> • Develop the claim. • Review the claim. • If payable for non-contract bid winner, pay at 75%.

Oversight of Contractors

- Frequent meetings with the DME MACs
- Weekly, Monthly, and Ad hoc Reports including:
 - Workload information
 - Average processing time
 - Appeals
- Continued engagement of stakeholders

Evaluation of Demonstration Outcomes

- Has the demonstration developed improved methods for the investigation and prosecution of fraud?
- Did the demonstration have an effect on improper payments?
- What was the impact on suppliers/ practitioners/ beneficiaries?
 - What effect did this have on provider burden?
 - What effect did this have on access to care?

Summary

Where	Initial Demonstration states: Beneficiaries in CA, IL, MI,NY,NC,FL ,and TX. Additional States: MD,NJ,PA,IN,KY,OH,GA,TN,LA,MO,WA, and AZ
The expanded demonstration will begin:	October 1, 2014 for the additional 12 states
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	<u>PAdemo@cms.hhs.gov</u>
CMS Demonstration Website	<u>http://go.cms.gov/PADemo</u>
FAQs	<u>https://questions.cms.gov/keyword PMD</u>
Follow us on Twitter	@CMSGov (Look for pmddemonstration)
PMD Prior Authorization Demonstration Status Updates	<u>http://go.cms.gov/PADemoStatus</u>



Questions?