

**Prior Authorization of Power Mobility Devices Demonstration Expansion
Frequently Asked Questions
Addendum**

1. Why is CMS expanding the demonstration?

CMS seeks to build upon the success of the current demonstration project by expanding prior authorization for certain power mobility devices to an additional 12 states. Since launching the power mobility device demonstration in 2012, CMS has observed a decrease in expenditures for power mobility devices among states that currently participate in the demonstration. These states include California, Florida, Illinois, Michigan, New York, North Carolina, and Texas.

Based on claims submitted as of September 30, 2013, monthly expenditures for power mobility devices included in the demonstration decreased from \$12 million in September 2012 to \$4 million in August 2013. Status update from December 2013 is available here: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Medical-Review/Prior-Authorization-of-PMDs-Demonstration-Status-Update-.html>

2. How has the medical supply industry responded to the initial prior authorization of power mobility devices demonstration? Is this an indicator of how the industry may react to the expansion?

Since the demonstration was initially launched in 2012, the industry's feedback to the prior authorization process for power mobility devices has been positive. Several durable medical equipment, prosthetics, and orthotics suppliers have suggested that prior authorization has helped their business by providing more predictable cash flow and improved relationships with the ordering physician. These suppliers have also expressed support for expanding the demonstration to include additional states.

3. Will CMS notify providers and suppliers of the expansion?

Yes. CMS will notify providers and suppliers once the prior authorization of power mobility devices demonstration expansion is implemented. A notice will be published in the Federal Register, which will include the implementation date and the states that will be impacted by the expansion. In addition, CMS will mail notification letters to all suppliers and treating practitioners in the expanded demonstration states who have ordered power mobility devices in the past.

4. Once the expansion starts, will there still be prepayment review of power mobility devices?

Durable Medical Equipment Medicare Administrative Contractors may conduct prepayment review of power mobility device claims for states outside of the demonstration area. The contractors may conduct prepayment review of additional power mobility device codes that are not included in the current demonstration code list for demonstration states.

If the Medicare Administrative Contractors identify vulnerabilities with applicable demonstration claims within demonstration states, the contractors may conduct prepayment review of these claims even if the claim has been affirmed through the prior authorization process. In these situations, the Medicare Administrative Contractors would focus on` documentation that was not required during the prior authorization process.

For example, in the prior authorization demonstration, the submitter must submit the order, documentation of the face-to-face encounter, and detailed product description. Only after the item is delivered will there be a proof of delivery. If the CMS suspects a potential vulnerability, Medicare Administrative Contractors may request proof of delivery documentation before the claim is paid.

5. What states will be impacted by the expansion?

CMS expects to expand the prior authorization of power mobility devices demonstration to an additional 12 states. These states include Arizona, Georgia, Indiana, Kentucky, Louisiana, Maryland, Missouri, New Jersey, Ohio, Pennsylvania, Tennessee, and Washington.

6. When will these states be subject to prior authorization?

States included in the demonstration expansion will be subject to prior authorization no earlier than September 1, 2014.

7. Will codes for mobility devices change under the expansion?

No, codes will remain the same under the demonstration expansion.

8. Where can I find additional information on the expansion?

Information on the expansion is currently available on the following website: <http://www.cms.gov/Research-Statistics-Data-and-Systems/Monitoring-Programs/Medicare-FFS-Compliance-Programs/Overview.html>. CMS will provide operational details on the expansion during on upcoming Open Door Forum Calls.