

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 11005	Date: September 17, 2021
	Change Request 12453

SUBJECT: October Quarterly Update for 2021 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule

I. SUMMARY OF CHANGES: The DMEPOS fee schedules are updated on a quarterly basis, when necessary, in order to implement fee schedule amounts for new and existing codes, as applicable, and apply changes in payment policies. The update process for the DMEPOS fee schedule is located in publication 100-04, Medicare Claims Processing Manual, chapter 23, section 60.

EFFECTIVE DATE: October 1, 2021

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: October 4, 2021

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

Recurring Update Notification

Attachment - Recurring Update Notification

Pub. 100-04	Transmittal: 11005	Date: September 17, 2021	Change Request: 12453
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SUBJECT: October Quarterly Update for 2021 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule

EFFECTIVE DATE: October 1, 2021

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: October 4, 2021

I. GENERAL INFORMATION

A. Background: The DMEPOS fee schedules are updated on a quarterly basis, when necessary, in order to implement fee schedule amounts for new and existing codes, as applicable, and apply changes in payment policies. The update process for the DMEPOS fee schedule is located in publication 100-04, Medicare Claims Processing Manual, chapter 23, section 60.

Payment on a fee schedule basis is required for certain Durable Medical Equipment (DME), prosthetic devices, orthotics, prosthetics, and surgical dressings by §1834(a), (h), and (i) of the Social Security Act (the Act). Also, payment on a fee schedule basis is a regulatory requirement at 42 Code of Federal Regulations (CFR) §414.102 for Parenteral and Enteral Nutrition (PEN), splints, casts and Intraocular Lenses (IOLs) inserted in a physician's office. The DMEPOS and PEN fee schedule files contain Healthcare Common Procedure Coding System (HCPCS) codes that are subject to fee schedule adjustments using information on the payment determined for these items under the DMEPOS Competitive Bidding Program (CBP), as well as codes that are not subject to the CBP or fee schedule adjustments.

Section 1834(a)(1)(F)(ii) of the Act mandates adjustments to the fee schedule amounts for DME items included in the CBP for payment of the items in areas that are not Competitive Bidding Areas (CBAs). Section 1842(s)(3)(B) of the Act provides authority for making adjustments to the fee schedule amounts for enteral nutrients, equipment, and supplies (enteral nutrition) based on information from the CBP. The methodologies for adjusting DMEPOS fee schedule amounts under this authority are established at 42 CFR §414.210(g).

The Coronavirus (COVID-19) Aid, Relief, and Economic Security (CARES) Act, 2020

Section 3712 of the CARES Act was signed into law on March 27, 2020. Additional information on section 3712 of the CARES Act is available in Transmittal 10016, Change Request 11784, dated May 8, 2020. The fees in the October 2021 fee schedule update continue to reflect the requirements of the CARES Act. Sections 3712(a) and (b) of the CARES Act, respectively, require the following:

(a) For items and services subject to the fee schedule adjustments furnished in rural or non-contiguous areas, the fee schedule amounts will continue to be based on a blend of 50 percent of the adjusted fee schedule amounts and 50 percent of the unadjusted fee schedule amounts (i.e., no change from the current fee schedule amounts) through December 31, 2020, or the duration of the COVID-19 public health emergency, whichever is later.

(b) For items and services subject to the fee schedule adjustments furnished in non-rural contiguous non-CBAs, the fee schedule amounts will be based on a blend of 75 percent of the adjusted fee schedule amounts and 25 percent of the unadjusted fee schedule amounts (i.e., an increase in the fee schedule amounts) for claims with dates of service beginning March 6, 2020, and continuing until the end of the COVID-19 public health emergency.

The ZIP code associated with the address used for pricing a DMEPOS claim determines the rural fee schedule payment applicability for codes with rural and non-rural adjusted fee schedule amounts. The DMEPOS Rural ZIP code file contains the ZIP codes designated as rural areas. ZIP codes for non-continental Metropolitan Statistical Areas (MSA) are not included in the DMEPOS Rural ZIP code file. The DMEPOS Rural ZIP code file is updated on a quarterly basis as necessary. Regulations at §414.202 define a rural area to be a geographical area represented by a postal ZIP code where at least 50 percent of the total geographical area of the ZIP code is estimated to be outside any MSA. A rural area also includes any ZIP Code within an MSA that is excluded from a competitive bidding area established for that MSA. A former CBA ZIP code file contains the competitive bidding area ZIP codes used in pricing a claim for an item furnished in a CBA and will be updated on a quarterly basis as necessary.

Additional information on the 2021 DMEPOS fee schedules is available in these program instructions:

1. January 2021 Transmittal 10504, Change Request 12063
2. April 2021 Transmittal 10681, Change Request 12193
3. July 2021 Transmittal 10865, Change Request 12345

B. Policy: The DMEPOS fee schedule file contains fee schedule amounts for non-rural and rural areas. Also, the PEN fee schedule file includes state fee schedule amounts for enteral nutrition items and national fee schedule amounts for parenteral nutrition items.

This recurring update notification provides updates for the following files:

1. DMEPOS fee schedule file
2. DMEPOS Rural ZIP code file for Quarter 4, 2021
3. There are no updates to the Parenteral and Enteral Nutrition (PEN) fee schedule file for Quarter 4, 2021.

These updates will also be available as Public Use Files (PUFs) for State Medicaid Agencies, managed care organizations, and other interested parties on the CMS website at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSFeeSched/DMEPOS-Fee-Schedule>

Specific Coding and Pricing Issues

New DMEPOS codes added to the Healthcare Common Procedure Coding System file, effective October 1, 2021 are listed in Business Requirement (BR) 5 of this instruction. The new codes are not to be used for billing purposes until they are effective on October 1, 2021.

No codes are deleted from the DMEPOS fee schedule file effective October 1, 2021.

As part of this update, no fee schedules are added to the DMEPOS fee schedule file for new and revised HCPCS codes (K1013, K1022-K1027) effective October 1, 2021. Until national Medicare coverage and payment guidelines have been established for these codes, the Medicare coverage and payment determinations for these items may be made based on the discretion of the Medicare contractors processing claims for these items. The DME Medicare Administrative Contractors (MACs) and A/B MACs Part B shall establish local fee schedule amounts to pay claims for the new codes when applicable, and pay in accordance with the payment rules associated with each payment determination (e.g., an item determined to be an expensive item of DME that is reasonable and necessary and not otherwise excluded from coverage by statute, regulations, an NCD or program instructions, must be paid on a capped rental basis in accordance with regulations at CFR 414.229). Program instructions on DMEPOS gap-fill pricing are available in

publication 100-04, Medicare Claims Processing Manual, chapter 23, section 60.3 and 60.3.1.

Code A4453 (Rectal catheter for use with the manual pump-operated enema system, replacement only) is added to the HCPCS file effective October 1, 2021. No fee schedule amounts are added for code A4453 as part of this update. Code A4453 describes a replacement catheter for use with the manual pump-operated enema system (code A4459).

Additionally, code K1021 (Exsufflation belt, includes all supplies and accessories) is added to the HCPCS file effective October 1, 2021. Fee schedule amounts for this ventilator accessory are not added to the DMEPOS fee schedule because payment for accessories is included in the ventilator payments under the frequent and substantial servicing payment category.

The following codes are added to the HCPCS file effective January 1, 2022: A4436 (Irrigation supply; sleeve, reusable, per month) and A4437 (Irrigation supply; sleeve, disposable, per month). HCPCS code A4397 (Irrigation supply; sleeve, each) is discontinued effective December 31, 2021. Continuity of pricing regulations at 42 CFR § 414.236 indicate that when there is a single code that describes two or more distinct complete items and separate codes are subsequently established for each item, the fee schedule amounts that applied to the single code continue to apply to each of the items described by the new codes. In this instance, the irrigation supply sleeve code A4397 is divided into separate reusable and disposable irrigation sleeve codes. The fee schedule amount for one month of the sleeves is equivalent to the A4397 fee schedule amount multiplied by the monthly utilization limit of four. Therefore, the current monthly fee schedule amounts will continue to apply to codes A4436 and A4437 effective January 1, 2022.

As part of this update to the DMEPOS fee schedule file, the jurisdiction column for the following HCPCS codes is revised from 'D' for the jurisdiction of DME MACs to 'J' for the jurisdiction of joint for DME MACs and A/B MACs Part B in order to align with the DMEPOS claims processing jurisdiction list: A4216, A4217, A4217AU, A4265, A4310, A4311, A4312, A4313, A4314, A4315, A4316, A4320, A4321, A4326, A4327, A4328, A4330, A4331, A4332, A4333, A4334, A4336, A4338, A4340, A4344, A4346, A4349, A4351, A4352, A4353, A4354, A4355, A4356, A4357, and A4358.

Wheelchair Accessories and Seat and Back Cushions used with Complex Rehabilitative Manual Wheelchairs, Certain Manual Wheelchairs, and Group 3 Power Wheelchairs

On August 4, 2021, CMS published a combined final rule CMS-1748-F/CMS-1738-F titled "Medicare Program: Inpatient Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2022 and Updates to the IRF Quality reporting Program; Payment for Complex Rehabilitative Wheelchairs and Related Accessories (including Seating Systems) and Seat and Back Cushions Furnished in Connection with Such Wheelchairs," (86 FR 42362). In this rule, we finalized an exemption for accessories (including seating systems) and seat and back cushions furnished in connection with Group 3 complex rehabilitative power wheelchairs from the fee schedule adjustments under section 1834(a)(1)(F) of the Act. In this rule, we also finalized an extension of this policy to wheelchair accessories (including seating systems) and seat and back cushions furnished in connection with complex rehabilitative manual and certain other manual wheelchairs described by HCPCS codes E1161, E1231, E1232, E1233, E1234, E1235, E1236, E1237, E1238, K0005 and K0008. Therefore, payment for these items when furnished in connection with a Group 3 power wheelchair, complex rehabilitative or certain manual wheelchair will continue to be based on the unadjusted fee schedule amounts updated in accordance with section 1834(a)(14) of the Act.

Suppliers should continue to append the KU modifier when billing the manual and power wheelchair accessories and seat and back cushion codes furnished in connection with the aforementioned wheelchairs. A list of the wheelchair accessory and seat and back cushion codes furnished in connection with Group 3 power wheelchairs (HCPCS codes K0848 through K0864) is available in Attachment A. More information on the wheelchair accessory codes furnished in connection with the complex rehabilitative manual and certain other manual wheelchairs (HCPCS codes E1161, E1231, E1232, E1233, E1234, E1235, E1236, E1237, E1238, K0005 and K0008) is available in Transmittal 10865, Change Request 12345 dated July 1, 2021 for July Quarterly Update for the DMEPOS Fee Schedule.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FIS	MCS	VMS	CWF	
12453.1	The DME MACs, A/B MACs Part B and/or Virtual Data Center (VDC) shall retrieve the DMEPOS fee schedule file (filename: MU00.@BF12393.DMEPOS.T210101.V0914) The file is available for download on or after September 14, 2021.		X		X					VDC
12453.1.1	Contractors shall notify CMS of successful receipt via email to price_file_receipt@cms.hhs.gov stating the name of the file received (e.g., DMEPOS) and the entity receiving the file (e.g., include states, contractor/carrier numbers, quarter, and if Part A, Part B, or both).		X		X					VDC
12453.2	The A/B MACs Part A, A/B MACs Part Home Health and Hospice (HHH) and/or VDC shall retrieve the DMEPOS fee schedule file (filename: MU00.@BF12393.DMEPOS.T210101.V0914.FI) The file is available for download on or after September 14, 2021.	X		X						VDC
12453.2.1	Contractors shall notify CMS of successful receipt via email to price_file_receipt@cms.hhs.gov stating the name of the file received (e.g., DMEPOS) and the entity receiving the file (e.g., include states, contractor/carrier numbers, quarter, and if Part A, Part B, or both).	X		X						VDC
12453.3	The DME MACs and/or VDC shall retrieve the PEN fee schedule file (filename: MU00.@BF12393.PEN.CY21.V0914). There are no updates to the Parenteral and Enteral Nutrition (PEN) fee schedule file for Quarter 4, 2021.				X					VDC
12453.3.1	Contractors shall notify CMS of successful receipt via email to price_file_receipt@cms.hhs.gov stating the name of the file received (e.g., DMEPOS) and the entity receiving the file (e.g., include states, contractor/carrier numbers, quarter, and if Part A, Part				X					VDC

Number	Requirement	Responsibility									
		A/B MAC			D M E M A C	Shared-System Maintainers				Other	
		A	B	H H H		F I S S	M C S	V M S	C W F		
	B, or both).										
12453.4	The DME MACs, A/B MACs Part B, A/B MACs Part A, A/B MACs Part HHH and/or the Virtual Data Centers (VDCs) shall retrieve the CY 2021 Rural ZIP code file (filename: MU00.@DMECBIC.RURZIP.C21Q02.V0914) on or after September 14, 2021.	X	X	X	X						VDC
12453.4.1	Contractors shall notify CMS of successful receipt via email to price_file_receipt@cms.hhs.gov stating the name of the file received (e.g., DMEPOS) and the entity receiving the file (e.g., include states, contractor/carrier numbers, quarter, and if Part A, Part B, or both).	X	X	X	X						VDC
12453.5	Contractors shall use the DMEPOS files in requirements 12453.1 and 12453.2 and the Rural Zip code file in requirement 12453.4 to pay claims for items with dates of service beginning October 1, 2021.	X	X	X	X						VDC
12453.5.1	The DME MACs shall use the PEN fee schedule file in requirement 12453.3 and the Rural Zip code file in requirement 12453.4 to pay claims with dates of service beginning October 1, 2021.				X						VDC
12453.6	Contractors shall be aware the HCPCS codes listed below are being added to the HCPCS effective October 1, 2021 and shall be added to the Common Working File (CWF) categories (category codes in parentheses) and systems where necessary as follows: 1. A4453 (60) DME MACs 2. K1021 (60) DME MACs 3. K1022 (60, 67) DME MACs, A/B MACs 4. K1023 (60, 67) DME MACs, A/B MACs 5. K1024 (60, 67) DME MACs, A/B MACs 6. K1025 (60, 67) DME MACs, A/B MACs		X		X					X	

Number	Requirement	Responsibility								
		A/B MAC			D M E M A C	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
	7. K1026 (60, 67) DME MACs, A/B MACs 8. K1027 (60, 67) DME MACs, A/B MACs									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E M A C	C E D I
		A	B	H H H		
12453.7	Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instruction for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the “MLN Connects” listserv to get MLN content notifications. You don’t need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.	X	X	X	X	

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Anita Greenberg, Anita.Greenberg@cms.hhs.gov , Karen Jacobs, Karen.Jacobs@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 1

Attachment A

Wheelchair Accessories and Seat and Back Cushions Used with Group 3 Power Wheelchairs

HCPCS	Descriptor
E0705	Transfer Device
E0950	Tray
E0951	Loop heel
E0952	Toe loop/holder, each
E0953	W/c lateral thigh/knee sup
E0954	Foot box, any type each foot
E0955	Cushioned headrest
E0956	W/c lateral trunk/hip suppor
E0957	W/c medial thigh support
E0960	W/c shoulder harness/straps
E0973	W/Ch access det adj armrest
E0978	W/C acc,saf belt pelv strap
E0981	Seat upholstery, replacement
E0982	Back upholstery, replacement
E0985	W/C seat lift mechanism
E0990	Wheelchair elevating leg res
E0995	Wc calf rest, pad replacemnt
E1002	Pwr seat tilt
E1003	Pwr seat recline
E1004	Pwr seat recline mech
E1005	Pwr seat recline pwr
E1006	Pwr seat combo w/o shear
E1007	Pwr seat combo w/shear
E1008	Pwr seat combo pwr shear
E1010	Add pwr leg elevation
E1012	Ctr mount pwr elev leg rest
E1016	Shock absorber for power w/c
E1020	Residual limb support system
E1028	W/c manual swingaway
E1029	W/c vent tray fixed
E1030	W/c vent tray gimbaled
E2207	Crutch and cane holder
E2208	Cylinder tank carrier
E2209	Arm trough each
E2210	Wheelchair bearings
E2310	Electro connect btw control
E2311	Electro connect btw 2 sys
E2321	Hand interface joystick
E2322	Mult mech switches
E2323	Special joystick handle
E2324	Chin cup interface
E2325	Sip and puff interface

E2326	Breath tube kit
E2327	Head control interface mech
E2328	Head/extremity control inter
E2329	Head control nonproportional
E2330	Head control proximity switc
E2351	Electronic sgd interface
E2359	Gr34 sealed leadacid battery
E2360	22nf nonsealed leadacid
E2361	22nf sealed leadacid battery
E2362	Gr24 nonsealed leadacid
E2363	Gr24 sealed leadacid battery
E2364	U1nonsealed leadacid battery
E2365	U1 sealed leadacid battery
E2366	Battery charger, single mode
E2367	Battery charger, dual mode
E2368	Pwr wc drivewheel motor repl
E2369	Pwr wc drivewheel gear repl
E2370	Pwr wc dr wh motor/gear comb
E2371	Gr27 sealed leadacid battery
E2373	Hand/chin ctrl spec joystick
E2374	Hand/chin ctrl std joystick
E2375	Non-expandable controller
E2376	Expandable controller, repl
E2377	Expandable controller, initl
E2378	Pw actuator replacement
E2381	Pneum drive wheel tire
E2382	Tube, pneum wheel drive tire
E2383	Insert, pneum wheel drive
E2384	Pneumatic caster tire
E2385	Tube, pneumatic caster tire
E2386	Foam filled drive wheel tire
E2387	Foam filled caster tire
E2388	Foam drive wheel tire
E2389	Foam caster tire
E2390	Solid drive wheel tire
E2391	Solid caster tire
E2392	Solid caster tire, integrate
E2394	Drive wheel excludes tire
E2395	Caster wheel excludes tire
E2396	Caster fork
E2397	Pwc acc, lith-based battery
E2601	Gen w/c cushion wdth < 22 in
E2602	Gen w/c cushion wdth >=22 in
E2603	Skin protect wc cus wd <22in
E2604	Skin protect wc cus wd>=22in
E2605	Position wc cush wdth <22 in
E2606	Position wc cush wdth>=22 in

E2607	Skin pro/pos wc cus wd <22in
E2608	Skin pro/pos wc cus wd>=22in
E2611	Gen use back cush wdth <22in
E2612	Gen use back cush wdth>=22in
E2613	Position back cush wd <22in
E2614	Position back cush wd>=22in
E2615	Pos back post/lat wdth <22in
E2616	Pos back post/lat wdth>=22in
E2619	Replace cover w/c seat cush
E2620	WC planar back cush wd <22in
E2621	WC planar back cush wd>=22in
E2622	Adj skin pro w/c cus wd<22in
E2623	Adj skin pro wc cus wd>=22in
E2624	Adj skin pro/pos cus<22in
E2625	Adj skin pro/pos wc cus>=22
E2626	Seo mobile arm sup att to wc
E2627	Arm supp att to wc rancho ty
E2628	Mobile arm supports reclinin
E2629	Friction dampening arm supp
E2630	Monosuspension arm/hand supp
E2631	Elevat proximal arm support
E2632	Offset/lat rocker arm w/ela
E2633	Mobile arm support supinator
K0015	Detach non-adjus hght armrst
K0017	Detach adjust armrest base
K0018	Detach adjust armrst upper
K0019	Arm pad each
K0020	Fixed adjust armrest pair
K0037	Hi mount flip-up footrest ea
K0038	Leg strap each
K0039	Leg strap h style each
K0040	Adjustable angle footplate
K0041	Large size footplate each
K0042	Standard size ftplate rep ea
K0043	Ftrst lowr exten tube rep ea
K0044	Ftrst upper hanger bracket
K0045	Ftrst upr hanger brac rep ea
K0046	Elev lgrst lwr exten repl ea
K0047	Elev legrst upr hangr rep ea
K0051	Cam rel asm ft/legrst rep ea
K0052	Swingaway detach ftrest repl
K0053	Elevate footrest articulate
K0056	Seat ht <17 or >=21 ltwt wc
K0065	Spoke protectors
K0069	Rr whl compl sol tire rep ea
K0070	Rr whl compl pne tire rep ea
K0071	Fr cstr comp pne tire rep ea

K0072	Fr cstr semi-pne tire rep ea
K0073	Caster pin lock each
K0077	Fr cstr asmb sol tire rep ea
K0098	Drive belt for pwc, repl
K0105	Iv hanger
K0733	Elevating whlchair leg rests