CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 10840	**Date: June 11, 2021**
	Change Request 12310

SUBJECT: Updates to the Internet Only Publication 100-04, Chapter 1, Section 10.1 and Chapter 20, Section 10

I. SUMMARY OF CHANGES: This Change Request (CR) updates the language regarding the Durable Medical Equipment Jurisdiction list in Internet Only Publication 100-04, Chapter 1, section 10.1 and Chapter 20, section 10.

EFFECTIVE DATE: July 12, 2021
**Unless otherwise specified, the effective date is the date of service.*
IMPLEMENTATION DATE: July 12, 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
R	1/10.1/A/B MACs [Part B] and DME MACs Jurisdiction of Requests for Payment
R	20/10/Where to Bill DMEPOS and PEN Items and Services

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:

Business Requirements
Manual Instruction

Attachment - Business Requirements

Pub. 100-04	Transmittal: 10840	Date: June 11, 2021	Change Request: 12310

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I. GENERAL INFORMATION

A. Background: The Centers for Medicare & Medicaid Services revised the presentation of the Durable Medical Equipment (DME) Prosthetic, Orthotic and Supplies Jurisdiction List. Currently, a spreadsheet containing a list of Healthcare Common Procedure Coding System (HCPCS) codes for which DME MACs and A/B MACs (B) have jurisdiction are updated on a yearly basis. The new list will be updated on an as needed basis (typically quarterly) and will contain HCPCS for which DME MACs have sole or dual joint jurisdiction and also reflect codes that have been added or discontinued (deleted). Any new HCPCS not included in this updated list are A/B MAC jurisdiction, not DME MAC jurisdiction.

B. Policy: These changes are intended only to clarify the presentation of the DME jurisdiction List. There are no policy, processing, or system changes.

II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			DME	Shared-System Maintainers				Other
		A	B	HHH	MAC	FISS	MCS	VMS	CWF	
12310.1	Contractors shall be in compliance with the updates to CMS Internet Only Manual (IOM) Publication 100-04, Chapter 1 ,Section 10.1 and Chapter 20, section 10.		X		X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
	None					

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): Wendy Knarr, Wendy.Knarr@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: 0

Medicare Claims Processing Manual
Chapter 1 - General Billing Requirements

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(Rev. 10840; Issued: 06-11-21)

10.1 – *A/B MACs (Part B) and DME MAC* Jurisdiction of Requests for Payment

(Rev. 10840; Issued: 06-11-21; Effective: 07-12-21; Implementation: 07-12-21)

B3-3100

A/B MACs (Part B) have jurisdiction for all claims from the following:

- Physicians;
- Other individual practitioners;
- Groups of physicians or practitioners;
- Labs not part of a hospital;
- Ambulance claims submitted by ambulance companies under their own Medicare number (hospitals may operate ambulances as part of the hospital and bill the *A/B MAC (Part A);*
- Ambulatory surgical centers (ASCs); and
- Independent diagnostic testing facilities (IDTFs).

Durable Medical Equipment Medicare Administrative Contractors (DME MACs) have jurisdiction for claims from the following:

- Nonimplantable durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) (including home use);

- Suppliers of enteral and parenteral products other than to inpatients covered under Part A;

- Oral drugs billed by pharmacies; and

- Method II home dialysis (for dates of service prior to January 1, 2011). Note: Please refer to Section 30.3.8 for information regarding the elimination of Method II home dialysis for dates of service on and after January 1, 2011.

The CMS maintains a list of which HCPCS codes are under DME MAC *only* jurisdiction *or dual DME MAC/Part B MAC* jurisdiction and issues updates to DME MACs and *A/B MACs (Part B)* as needed *(Usually quarterly). Any other codes not listed as DME MAC only or dual DME MAC/Part B MAC jurisdiction shall be A/B MAC (Part B) only jurisdiction.*

There are four DME MACs each of which is assigned specific States.

A/B MACs (Part B) typically process Part B fee-for-service claims for services furnished in specific geographic areas (e.g., a State). However, a single *A/B MAC (Part B)* processes all physician/supplier claims for railroad retirement beneficiaries. (See §10.1.3 for claims for Part B medical services performed outside the U.S. for individuals who reside in the U.S.).

The rules for determining jurisdiction are the same whether a claim is assigned or nonassigned (see §30.3 for assignment rules).

Further information on *A/B MACs (Part B) and DME MACs* for specific geographic areas is available on the CMS Web site at *https://www.cms.gov/Medicare/Medicare-Contracting/Medicare-Administrative-Contractors/Who-are-the-MACs* .

Most skilled nursing facilities submit claims to the *A/B MACs (Part A)*. However, a nonparticipating skilled nursing facility (SNF) is considered a supplier and its claims are submitted to the appropriate *A/B MACs (Part B)* under its own Medicare supplier number.

Medicare Claims Processing Manual
Chapter 20 - Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)

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(Rev. 10840; Issued: 06-11-21)

10 - Where to Bill DMEPOS and PEN Items and Services
(Rev. 10840; Issued: 06-11-21; Effective: 07-12-21; Implementation: 07-12-21)

Skilled Nursing Facilities, CORFs, OPTs, and hospitals bill the A/B MAC Part A for prosthetic/orthotic devices, supplies, and covered outpatient DME and oxygen (refer to §40). The HHAs should bill Durable Medical Equipment (DME) to the A/B MAC (HHH), or should meet the requirements of a DME supplier and bill the DME MAC. This is the HHA's decision. A/B MACs Part A other than A/B MACs (HHH) will receive claims only for the class "Prosthetic and Orthotic Devices."

Unless billing to the A/B MAC Part A is required as outlined in the preceding paragraph, claims for implanted DME, implanted prosthetic devices, replacement parts, accessories and supplies for the implanted DME shall be billed to the A/B MACs Part B and not the DME MAC.

Suppliers enrolled with the NSC as a DMEPOS supplier should enroll with and bill to the A/B MAC Part B for replacement parts, accessories and supplies for prosthetic implants and surgically implanted DME items that are not required to be billed to the A/B MAC Part A as stated above. Such suppliers should bill the A/B MAC Part B for these items only, unless the entity separately qualified as a supplier for items and/or services in another benefit category.

Suppliers that enroll with the NSC as a DMEPOS supplier shall bill the A/B MAC Part B using their NPI and shall not include their NSC number on the claim.

Under no circumstances should any entity that is enrolled as a DMEPOS supplier with the NSC, that is not the physician or provider that implants the device, bill the A/B MAC Part B for an implanted device. However, DMEPOS suppliers should bill for any of the replacement parts, accessories or supplies for prosthetic implants and surgically implanted DME.

The claims filing jurisdiction for these items is determined by the supplier’s location, in accordance with Pub. 100-04, Medicare Claims Processing Manual, chapter 1, section 10. With respect to payment for these items, contractors are reminded of the longstanding policy for payment of DMEPOS items, which specifies that payment for DMEPOS is based on the fee schedule amount for the State where the beneficiary maintains his/her permanent residence.

The Healthcare Common Procedure Coding System (HCPCS) codes that describe these categories of service are updated *quarterly.* All other DMEPOS items are billed to the DME MAC. See the Medicare Claims Processing Manual, Chapter 23, §20.3 for additional information. A spreadsheet containing an updated list of

HCPCS for *which* DME MACs *have* jurisdiction is updated *as needed (typically quarterly) to reflect codes that have been added or discontinued (deleted). Any new HCPCS not included in this updated list are A/B MAC jurisdiction only, and not DME MAC jurisdiction. The spreadsheet is* posted at the following website: https://www.cms.gov/Center/Provider-Type/Durable-Medical-Equipment-DME-Center.html *under the heading of Coding.*

Parenteral and enteral nutrition, and related accessories and supplies, are covered under the Medicare program as a prosthetic device. See the Medicare Benefit Policy Manual, Chapter 15, for a description of the policy. All Parenteral and Enteral (PEN) services furnished under Part B are billed to the DME MAC. If a provider (see §01) provides PEN items under Part B it shall qualify for and receive a supplier number and bill as a supplier. Note that some PEN items furnished to hospital and SNF inpatients are included in the Part A PPS rate and are not separately billable. (If a service is paid under Part A it should not also be paid under Part B.)