

# Program Memorandum Carriers

Department of Health &  
Human Services (DHHS)

Centers for Medicare &  
Medicaid Services (CMS)

Transmittal B-03-066

Date: AUGUST 22, 2003

## CHANGE REQUEST 2904

**SUBJECT: Durable Medical Equipment Regional Carriers (DMERCs) - Eliminate Combined Working File (CWF) Edit for Cancer Diagnosis for National Drug Codes (NDCs)**

### I. GENERAL INFORMATION

**A. Background:** Currently, DMERCs only receive NDCs for oral anti-cancer drugs, and CWF has an edit to look for a cancer diagnosis. With HIPAA, many drugs will be billed to the DMERCs with an NDC. Since many drugs can now be billed to the DMERC using an NDC, it is no longer appropriate for the CWF edit to look for a cancer diagnosis. Currently, claims with NDCs are being inappropriately rejected because CWF is looking for the cancer diagnosis.

**B. Policy:** With the implementation of HIPAA, DMERCs will receive many NDCs for drugs. CWF shall eliminate the edit that looks for a diagnosis code when an NDC is billed. CWF shall eliminate the D5x6 edit. .

**C. Provider Education:** None

### II. BUSINESS REQUIREMENTS

*"Shall" denotes a mandatory requirement*

*"Should" denotes an optional requirement*

Requirement #	Requirements	Responsibility
1.	CWF shall eliminate the edit that looks for a diagnosis code when NDCs are billed to the DMERCs. Eliminate CWF edit D5x6.	CWF

### III. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

**A. Other Instructions:** n/a

X-Ref Requirement #	Instructions

**B. Design Considerations:** n/a

X-Ref Requirement #	Recommendation for Medicare System Requirements

**C. Interfaces:** n/a

**D. Contractor Financial Reporting /Workload Impact:** n/a

**E. Dependencies:** n/a

**F. Testing Considerations:** n/a

CMS-Pub.60B

**IV. ATTACHMENT(S):** None

<p><b>Effective Date: October 1, 2003</b></p> <p><b>Implementation Date: October 1, 2003</b></p> <p><b>Discard Date: October 1, 2004</b></p> <p><b>Pre-Implementation Contacts: Joanne Spalding (410) 786-3352 and Angie Costello, (410) 786-1554</b></p>	<p><b>Post-Implementation Contact: Appropriate regional office staff.</b></p> <p><b>These instructions should be implemented within your current operating budget</b></p>
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