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# PROGRAM MEMORANDUM INTERMEDIARIES/CARRIERS

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Department of Health  
and Human Services  
  
Health Care Financing  
Administration

Transmittal No. AB-00-26

Date APRIL 2000

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## CHANGE REQUEST 1169

**SUBJECT: July Quarterly Update for 2000 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule**

This Program Memorandum (PM) provides specific instructions regarding the July quarterly update for the 2000 DMEPOS fee schedule. General instructions regarding the quarterly update schedule for the 2000 DMEPOS fee schedule were provided in a PM to carriers and intermediaries in October of 1999 (AB-99-72, Change Request 976). Based on these earlier instructions, you must submit the base year fee amounts for the July 2000 quarterly update to HCFA central office by April 10, 2000. The July 2000 DMEPOS fee schedule file will be made available to the carriers and fiscal intermediaries by May 5, 2000. The file names for the carriers and fiscal intermediaries are:

Carriers - MU00.@BF12393.DMEPOS00.V0505

Intermediaries - MU00.@BF12393.DMEPOS00.QTR3.V0505.FIRHHI

Base fee schedule amounts for HCPCS codes K0440 thru K0447, K0449, and K0535 thru K0537 are to be gap-filled by the DMERCs in accordance with instructions located in §5102.2 of the Medicare Carriers Manual. The base fee schedule amounts for codes L2405, L2415, L2425, and L2430 are to be corrected by the DMERCs. The base fee schedule amount for Puerto Rico for HCPCS code L6872 is to be corrected by DMERC Region C. The base fees submitted to HCFA central office for codes K0440 thru K0447, K0449, L2405, L2415, L2425, L2430, and L6872 are not to be updated by any covered item update factors other than the 1.7 percent (1989) update factor for base fees for prosthetics and orthotics. The base fees submitted to HCFA central office for codes K0535 thru K0537 are to be established at the 1992 level, and are not to be updated by any covered item update factors. Update factors that are applicable subsequent to the fee schedule base years of 1989 for prosthetics and orthotics, and 1992 for surgical dressings will be added by HCFA central office as part of the fee schedule calculation process.

*The effective date for this PM is January 1, 2000, for claims with dates of service on or after January 1, 2000.*

*The implementation date for this PM is July 1, 2000.*

**Any questions regarding these instructions should be directed to Joel Kaiser on (410) 786-4499. Questions regarding the transmission of the file, the file layout, and submission of base fees to central office should be directed to Mary Anne Stevenson on (410) 786-1818.**

**These instructions should be implemented within your current operating budget.**

**This PM may be discarded January 1, 2001.**

HCFA-Pub. 60AB