

---

# CMS Manual System

## Pub. 100-04 Medicare Claims Processing

Department of Health &  
Human Services (DHHS)  
Centers for Medicare &  
Medicaid Services (CMS)

---

Transmittal 308

Date: OCTOBER 1, 2004

---

CHANGE REQUEST 3506

**SUBJECT: Two New Medicare Summary Notice (MSN) Messages for Parenteral Pumps–DMERC Only**

**I. SUMMARY OF CHANGES:** The CMS issued CR 3405 (Transmittal 108) to establish a new remark code for maintenance and servicing of Parenteral Pumps. This CR establishes two corresponding MSN Messages to use for better interpretation.

**NEW/REVISED MATERIAL - EFFECTIVE DATE\*: October 1, 2004**

**IMPLEMENTATION DATE: October 4, 2004**

*Disclaimer for manual changes only: The revision date and transmittal number apply to the red italicized material only. 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:**

**(R = REVISED, N = NEW, D = DELETED)**

<b>R/N/D</b>	<b>CHAPTER/SECTION/SUBSECTION/TITLE</b>
<b>R</b>	21/50.8/Durable Medical Equipment

**III. FUNDING:** Medicare contractors shall implement these instructions within their current operating budgets.

**IV. ATTACHMENTS:**

<b>X</b>	<b>Business Requirements</b>
<b>X</b>	<b>Manual Instruction</b>
	<b>Confidential Requirements</b>
	<b>One-Time Notification</b>
	<b>Recurring Update Notification</b>

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

# Attachment - Business Requirements

Pub. 100-04	Transmittal: 308	Date: October 1, 2004	Change Request 3506
-------------	------------------	-----------------------	---------------------

**SUBJECT: Two New Medicare Summary Notice (MSN) Messages for Parenteral Pumps– DMERC only**

## I. GENERAL INFORMATION

**A. Background:** The CMS issued CR 3405 (Transmittal 108, issued August 27, 2004) to establish a new remark code for maintenance and servicing of Parenteral Pumps. This CR establishes two corresponding MSN Messages to use for better interpretation.

Medicare covers maintenance and servicing every 6 months after the 15<sup>th</sup> paid rental month for most capped rental items. However, Medicare covers maintenance and servicing every 3 months after the 15<sup>th</sup> paid rental month for Parenteral pumps.

**B. Policy:** This instruction implements two new MSN messages for Parenteral pump claims.

Two MSN message are stated below in English and Spanish:

8.57- Your equipment supplier must furnish and service this item for as long as you continue to need it. Medicare will pay for maintenance and/or servicing for every 3 month period after the end of the 15<sup>th</sup> paid rental month.

Spanish Translation: Su suplidor debe proveer y reparar este equipo mientras usted continúe necesítándolo. Medicare pagará por el mantenimiento y/o reparación por cada periodo de 3 meses después que termine el pago de renta por 15 meses.

8.58- No payment can be made because the item has reached the 15 month limit. Separate payments can be made for maintenance or servicing every 3 months.

Spanish Translation: No se puede hacer el pago debido a que el artículo ha llegado al límite de 15 meses. Pagos separados se pueden hacer por mantenimiento o reparaciones cada 3 meses.

**C. Provider Education:** None.

## II. BUSINESS REQUIREMENTS

*"Shall" denotes a mandatory requirement*

*"Should" denotes an optional requirement*

Requirement Number	Requirements	Responsibility ("X" indicates the columns that apply)
--------------------	--------------	---

		FI	RHHI	Car r ier	DMERC	Shared System Maintainers				Other
						FISS	MCS	VMS	CBF	
3506.1	The contractor shall use MSN 8.57 when paying rental claims for parenteral pumps.				X					
3506.2	The contractor shall use MSN 8.58 when a supplier submits a claim for a parenteral pump after 15 rental months have been paid.				X					

### 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

### IV. SCHEDULE, CONTACTS, AND FUNDING

<p><b>Effective Date*:</b> October 1, 2004</p> <p><b>Implementation Date:</b> October 4, 2004</p> <p><b>Pre-Implementation Contact(s):</b> Wendy Knarr (410) 786-0843 (TDD) or Renee Hildt (410) 786-1446</p>	<p><b>Medicare contractors shall implement these instructions within their current operating budgets.</b></p>
---	---

<b>Post-Implementation Contact(s): Appropriate RO contact</b>	
---	--

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

## **50.8 - Durable Medical Equipment**

*(Rev. 308, Issued: 10-01-04, Effective: 10-01-04, Implementation: 10-04-04 )*

### **B-01-13, B-02-029**

- 8.1 - Your supplier is responsible for the servicing and repair of your rented equipment.
- 8.2 - To receive Medicare payment, you must have a doctor's prescription before you rent or purchase this equipment.
- 8.3 - This equipment is not covered because its primary use is not for medical purposes.
- 8.4 - Payment cannot be made for equipment that is the same or similar to equipment already being used.
- 8.5 - Rented equipment that is no longer needed or used is not covered.
- 8.6 - A partial payment has been made because the purchase allowance has been reached. No further rental payments can be made.
- 8.7 - This equipment is covered only if rented.
- 8.8 - This equipment is covered only if purchased.
- 8.9 - Payment has been reduced by the amount already paid for the rental of this equipment.
- 8.10 - Payment is included in the approved amount for other equipment.
- 8.11 - The purchase allowance has been reached. If you continue to rent this piece of equipment, the rental charges are your responsibility.
- 8.12 - The approved charge is based on the amount of oxygen prescribed by the doctor.
- 8.13 - Monthly rental payments can be made for up to 15 months from the first paid rental month or until the equipment is no longer needed, whichever comes first.
- 8.14 - Your equipment supplier must furnish and service this item for as long as you continue to need it. Medicare will pay for maintenance and/or servicing for every 6-month period after the end of the 15th paid rental month.
- 8.15 - Maintenance and/or servicing of this item is not covered until 6 months after the end of the 15th paid rental month.
- 8.16 - Monthly allowance includes payment for oxygen and supplies.
- 8.17 - Payment for this item is included in the monthly rental payment amount.

- 8.18 - Payment is denied because the supplier did not have a written order from your doctor prior to delivery of this item.
- 8.19 - Sales tax is included in the approved amount for this item.
- 8.20- Medicare does not pay for this equipment or item.
- 8.21 - This item cannot be paid without a new, revised or renewed certificate of medical necessity.
- 8.22 - No further payment can be made because the cost of repairs has equaled the purchase price of this item.
- 8.23 - No payment can be made because the item has reached the 15-month limit. Separate payments can be made for maintenance or servicing every 6 months.
- 8.24 - The claim does not show that you own or are purchasing the equipment requiring these parts or supplies.
- 8.25 - Payment cannot be made until you tell your supplier whether you want to rent or buy this equipment.
- 8.26 - Payment is reduced by 25% beginning the 4th month of rental.
- 8.27 - Payment is limited to 13 monthly rental payments because you have decided to purchase this equipment.
- 8.28 - Maintenance, servicing, replacement, or repair of this item is not covered.
- 8.29 - Payment is allowed only for the seat lift mechanism, not the entire chair.
- 8.30 - This item is not covered because the doctor did not complete the certificate of medical necessity.
- 8.31 - Payment is denied because blood gas tests cannot be performed by a durable medical equipment supplier.
- 8.32 - This item can only be rented for 2 months. If the item is still needed, it must be purchased.
- 8.33 - This is the next to last payment for this item.
- 8.34 - This is the last payment for this item.
- 8.35 - This item is not covered when oxygen is not being used.
- 8.36 - Payment is denied because the certificate of medical necessity on file was not in effect for this date of service.

- 8.37 - An oxygen recertification form was sent to the physician.
- 8.38 - This item must be rented for 2 months prior to purchasing it.
- 8.39 - This is the 10th month of rental payment. Your supplier should offer you the choice of changing the rental to a purchase agreement.
- 8.40 - We have previously paid for the purchase of this item.
- 8.41 - Payment for the amount of oxygen supplied has been reduced or denied because the monthly limit has been reached.
- 8.42 - Standby equipment is not covered.
- 8.43 - Payment has been denied because this equipment cannot deliver the liters per minute prescribed by your doctor.
- 8.44 - Payment is based on a standard item because information did not support the need for a deluxe or more expensive item.
- 8.45 - Payment for electric wheelchairs is allowed only if the purchase decision is made in the first or tenth month of rental.
- 8.46 - Payment is included in the allowance for another item or service provided at the same time.
- 8.47 - Supplies or accessories used with noncovered equipment are not covered.
- 8.48 - Payment for this drug is denied because the need for the equipment has not been established.
- 8.49 - This allowance has been reduced because part of this item was paid on another claim.
- 8.50 - Medicare cannot pay for this drug/equipment because our records do not show your supplier is licensed to dispense prescription drugs, and, therefore, cannot assure the safety and effectiveness of the drug/equipment. You are not financially liable for any amount for this drug/equipment unless your supplier gave you a written notice in advance that Medicare would not pay for it and you agreed to pay.
- 8.51 - You are not liable for any additional charge as a result of receiving an upgraded item.
- 8.52 - You signed an Advanced Beneficiary Notice (ABN). You are responsible for the difference between the upgrade amount and the Medicare payment.
- 8.53 - This item or service was denied because the upgrade information was invalid.

*8.57 - Your equipment supplier must furnish and service this item for as long as you continue to need it. Medicare will pay for maintenance and/or servicing for every 3 month period after the end of the 15th paid rental month.*

*8.58 - No payment can be made because the item has reached the 15 month limit. Separate payments can be made for maintenance or servicing every 3 months.*