
CMS Medicare Manual System

Pub. 100-8 Program Integrity

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

Transmittal 37

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CHANGE REQUEST 2471

CHAPTERS	REVISED SECTIONS	NEW SECTIONS	DELETED SECTIONS
5	1.1.2		
5	1.1.2.1		

Red italicized font identifies new material.

NEW/REVISED MATERIAL - EFFECTIVE DATE: February 1, 2003
IMPLEMENTATION DATE: February 1, 2003

Section 1.1.2, Written Orders, is revised to indicate that claims submitted without an order shall be denied as not reasonable and necessary.

Section 1.1.2.1, Written Orders Prior to Delivery, is revised to indicate that claims billed without a written order, when one is required, shall be denied as not covered.

Medicare contractors only: These instructions should be implemented within your current operating budget.

1.1.2 -Written Orders - (Rev. 37, 01-17-03)

Written orders are acceptable for all transactions involving DMEPOS. Written orders may take the form of a photocopy, facsimile image, electronically maintained, or original "pen-and-ink" document.

All orders must clearly specify the start date of the order.

For items that are dispensed based on a verbal order, the supplier must obtain a written order that meets the requirements of this section.

If the written order is for supplies that will be provided on a periodic basis, the written order should include appropriate information on the quantity used, frequency of change, and duration of need. (For example, an order for surgical dressings might specify one 4 x 4 hydrocolloid dressing that is changed 1-2 times per week for 1 month or until the ulcer heals.)

The written order must be sufficiently detailed, including all options or additional features that will be separately billed or that will require an upgraded code. The description can be either a narrative description (e.g., lightweight wheelchair base) or a brand name/model number.

If the order is for a rented item or if the coverage criteria in a policy specify length of need, the order must include the length of need.

If the supply is a drug, the order must specify the name of the drug, concentration (if applicable), dosage, frequency of administration, and duration of infusion (if applicable).

Someone other than the physician may complete the detailed description of the item. However, the treating physician must review the detailed description and personally sign and date the order to indicate agreement.

If a supplier does not have a faxed, photocopied, electronic or pen & ink signed order in their records before they can submit a claim to Medicare (i.e., if there is no order or only a verbal order), the claim will be denied. If the item is one that requires a written order prior to delivery (see Section 1.1.2.1), the claim will be denied as not meeting the benefit category. If the claim is for an item for which an order is required by statute (e.g., therapeutic shoes for diabetics, oral anticancer drugs, oral antiemetic drugs which are a replacement for intravenous antiemetic drugs), the claim will be denied as not meeting the benefit category and is therefore not appealable by the supplier (see MCM Section 12000 for more information on appeals). For all other items, if the supplier does not have an order that has been both signed and dated by the treating physician before billing the Medicare program, the item will be denied as not reasonable and necessary

If an item requires a CMN and the supplier does not have a faxed, photocopied, electronic, or pen & ink signed CMN in their records before they submit a claim to

Medicare, the claim will be denied. If the CMN is used to verify that statutory benefit requirements have been met, then the claim will be denied as not meeting the benefit category. If the CMN is used to verify that medical necessity criteria have been met, the claim will be denied as not reasonable and necessary.

Medical necessity information (e.g., an ICD-9-CM diagnosis code, narrative description of the patient's condition, abilities, limitations, etc.) is NOT in itself considered to be part of the order although it may be put on the same document as the order.

1.1.2.1 - Written Orders Prior to Delivery - (Rev. 37, 01-17-03)

A written order prior to delivery is required for: pressure reducing pads, mattress overlays, mattresses, and beds; seat lift mechanisms; TENS units; and power operated vehicles. DMERCs may identify other items for which they will require a written order prior to delivery.

For these items, the supplier must have received a written order that has been both signed and dated by the treating physician and meets the requirements of Section 1.1.2 before dispensing the item.

If a supplier bills for an item without a written order, when the supplier is required to have a written order prior to delivery, the item will be denied as not meeting the benefit category and is therefore not appealable by the supplier (see the MCM, Section 12000 for more information on appeals).