Program Memorandum Carriers

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

Transmittal B-02-031 **Date: MAY 1, 2002**

CHANGE REQUEST 2101

SUBJECT: Cessation of Certain DMERC Activities

This Program Memorandum (PM) informs the durable medical equipment regional carriers (DMERC) of situations that may be in conflict with the Paperwork Reduction Act (PRA) of 1995 §44 USC 3500, et seq. This PM is addressed to each DMERC, although these specific situations may not have occurred at each DMERC.

The PRA requires that the Director of the Office of Management and Budget must approve any collections of information performed by or for the Federal Government unless the collection fits within exceptions for audits and investigations. Absent such approval, the collection violates the PRA and agencies may not hold the public to the requirement.

1. Power operated vehicles additional documentation requirements

A Certificate of Medical Necessity (CMN) must accompany initial claims for power operated vehicles (POV). Except during the course of audits and investigations, DMERCs must not require that additional documentation accompany all POV claims. DMERCs may continue requesting information during the course of audits and investigations and when developing individual claims on either a pre- or a post-payment basis. If you choose to conduct such investigations, you must follow the guidelines in the Program Integrity Manual, Chapter 3, §2.

2. Power wheelchair additional documentation requirements re: make and model name/number

There must be no requirement that all claims for power wheelchairs include the make and model name/number of the wheelchair separate from the claim or the CMN.

The CMN, an OMB approved information collection form, can be used to collect this information. Specifically, DMERCs can require that the make and model name/ number of the power wheelchair be included in Section C of the CMN. Section C requires the supplier to include a narrative description of the items, options and accessories ordered.

3. Power wheelchair additional documentation requirements re: functional abilities

There must be no requirement for suppliers to submit additional documentation to describe a beneficiary's medical condition and functional abilities when the supplier bills for a higher level of equipment than previously supplied.

While it is appropriate to avoid paying for duplicate equipment, it is inappropriate to require this documentation for all claims for "higher level equipment." You may choose to perform pre- or post-payment probe samples to review these types of claims individually in order to determine medical necessity. If you choose to conduct such investigations, you must follow the guidelines in the Program Integrity Manual, Chapter 3, §2.

The DMERCs that are still enforcing any of the above documentation requirements must immediately cease that activity. In addition, if you have not already done so, you must publish a notice that this is no longer a requirement in your next DMERC bulletin and post the same notice on your Web site. This notice should also formally rescind any previously published bulletin articles on this subject if you have published such articles. Contractors who have already published a notice rescinding these requirements do not have to re-publish that notification. Similarly, contractors who never implemented these requirements do not have to take any action.

You should not research or adjust previously adjudicated claims.

The *effective date* for this PM is May 1, 2002.

The *implementation date* for this PM is May 1, 2002.

These instructions should be implemented within your current operating budget.

This PM may be discarded after April 1, 2003.

If you have any questions, contact John Warren at (410) 786-3633.