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# CMS Manual System

## Pub. 100-02 Benefit Policy

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

Transmittal 2

Date: DECEMBER 12, 2003

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CHANGE REQUEST 2986

**I. SUMMARY OF CHANGES:** Provider education article that discusses the fact that CMS is undertaking stringent efforts aimed at stopping abuse of the power wheelchair benefit in the Medicare Program.

**NEW/REVISED MATERIAL - EFFECTIVE DATE:** December 12, 2003

**\*IMPLEMENTATION DATE:** December 26, 2003

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged.*

### II. CHANGES IN MANUAL INSTRUCTIONS:

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

| R/N/D | CHAPTER/SECTION/SUBSECTION/TITLE |
|-------|----------------------------------|
|       | N/A                              |
|       |                                  |
|       |                                  |
|       |                                  |
|       |                                  |
|       |                                  |
|       |                                  |

### \*III. FUNDING:

These instructions should be implemented within your current operating budget.

### IV. ATTACHMENTS:

|   |                           |
|---|---------------------------|
|   | Business Requirements     |
|   | Manual Instruction        |
|   | Confidential Requirements |
| X | One-Time Notification     |

\*Medicare contractors only

# One-Time Notification

|            |                |                         |                     |
|------------|----------------|-------------------------|---------------------|
| Pub.100-02 | Transmittal: 2 | Date: December 12, 2003 | Change Request 2986 |
|------------|----------------|-------------------------|---------------------|

**SUBJECT:** Provider Education Article: Stopping Abuse of the Power Wheelchair Benefit

## I. GENERAL INFORMATION

**A. Background:** This One-Time Notification includes a provider education article that discusses the fact that CMS is undertaking stringent efforts aimed at stopping abuse of the power wheelchair benefit in the Medicare Program.

**B. Policy:** The Centers for Medicare & Medicaid Services (CMS) has recently Outlined a campaign of aggressive review and enforcement of supplier enrollment standards and increased physician awareness regarding the curbing of abuse of the Medicare program by some providers with regard to power wheelchairs and other power mobility products.

**C. Provider Education:** DMERCs shall inform affected providers by posting either a summary or relevant portions of the provider education article on their Web site within two weeks. Also, DMERCs shall publish this same information in their next regularly scheduled bulletin. If they have a listserv that targets affected providers, they shall use it to notify subscribers that information about stopping abuse of the power wheelchair benefit is available on their Web site.

## II. BUSINESS REQUIREMENTS

*"Shall" denotes a mandatory requirement*

*"Should" denotes an optional requirement*

| Requirement # | Requirements  | Responsibility |
|---------------|---|----------------|
| 2986.1        | Contractors shall publish attached provider education article or a summary of the article on their Web sites as soon as possible, but no later than two weeks from the issuance date of this instruction.                                 | DMERCs         |
| 2986.2        | Contractors shall publish attached provider education article or a summary of the article in their next regularly scheduled bulletin.   | DMERCs         |
| 2986.3        | Contractors who have a listserv that targets the affected provider communities shall use their listserv to notify subscribers that information about stopping abuse of the power wheelchair benefit appears on the contractor's Web site. | DMERCs         |

### III. SUPPORTING INFORMATION & 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

|   |   |
|---|---|
| <b>Effective Date: December 12, 2003</b><br><b>Implementation Date: December 26, 2003</b><br><b>Pre-Implementation Contact(s): John Warren<br/>(410-786-3633)</b><br><b>Post-Implementation Contact(s): Appropriate<br/>Regional Office</b> | <b>These instructions should be<br/>implemented within your<br/>current operating budget.</b> |
|---|---|

Attachment

**From the Medicare Learning Network @ CMS:**

**PROVIDER ALERT: STOPPING ABUSE OF THE POWER WHEELCHAIR BENEFIT**

Medicare providers need to be aware of new efforts recently announced by the Centers for Medicare & Medicaid Services (CMS) that are aimed at stopping abuse of the power wheelchair benefit in the Medicare Program. CMS will be taking immediate action to substantially curb abuse by unscrupulous providers who prey on Medicare beneficiaries. In addition, the Department of Health and Human Services' (DHHS) Office of Inspector General (OIG) is investigating the proliferation of durable medical equipment (DME) fraud cases involving inflated billings to Medicare, charges for equipment and supplies not delivered, and the falsification of documents to qualify beneficiaries for wheelchairs and other equipment that they often do not need.

CMS will begin aggressively reviewing applications from companies that seek to provide power wheelchairs to ensure that they meet reputable business standards of operation. CMS will also review its supplier enrollment standards, increase efforts to educate physicians and beneficiaries about the wheelchair benefit, and enhance current coverage and medical review policies to ensure that Medicare pays for wheelchairs when they are absolutely necessary.

Listed below are some of the immediate efforts that CMS is undertaking to stop the widespread and systemic fraud of this benefit:

- To prevent fraudulent suppliers from enrolling with Medicare for the sole purpose of receiving inappropriate payments, CMS will immediately begin aggressively scrutinizing all new applications for supplier numbers. Because of this increased scrutiny, new supplier numbers will not be issued until early 2004.
- CMS will be publishing regulations that will enhance the ability to screen new supplier applications to identify and prevent inappropriate enrollment of suppliers by providing a more detailed screening process, allowing CMS the time needed to properly review applications, and to provide sanctions against suppliers abusing the enrollment process.
- To quickly identify and punish fraudulent suppliers, CMS, Durable Medical Equipment Regional Carriers (DMERCs), and law enforcement agencies will collaborate to process fraud cases and assure aggressive, timely application of sanctions, and civil or criminal prosecutions. CMS will exercise one of its strongest administrative tools, payment suspensions, to stop the improper hemorrhaging of Medicare dollars.

CMS will finalize regulations revising coverage policy for motorized wheelchairs and scooters to assure that national policy accurately defines the conditions under which Medicare will cover mobility products. This policy will require, for the first time, that a medical provider see the patient before prescribing a wheelchair or scooter. This policy

will allow the medical provider to prescribe either a motorized wheelchair or a power-operated vehicle. Under existing policy, only a specialist may prescribe a POV.

- DMERCs will adopt Local Medical Review Policies (LMRP) that accurately portray the clinical conditions for which mobility products are reasonable and necessary. This will educate suppliers and beneficiaries on when wheelchairs will be paid for by Medicare and will facilitate correct billing and payment for mobility products.
- DMERCs will also adopt a consistent approach to medical review so that when national billing and utilization trends are identified, Medicare knows that only claims that are reasonable and necessary are paid and that national billing problems are resolved in a consistent manner.
- CMS will work with physicians to clarify their prescribing responsibilities and Medicare coverage criteria.

A brochure titled '***Medicare Coverage of Power Wheelchairs and Other Power Operated Vehicles***' that outlines the current Medicare coverage information can be viewed on the Medlearn Web site at:

<http://www.cms.hhs.gov/medlearn/PowerWheelchair.pdf>