
Medicare

Carriers Manual

Part 3 - Claims Process

Department of Health and
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HEALTH CARE FINANCING
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This revision manualizes Program Memorandum B-99-10, Change Request 587 dated March 1999

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NEW/REVISED MATERIAL--*EFFECTIVE DATE: 4/10/00*
IMPLEMENTATION DATE: 4/10/00

Section 3010, Durable Medical Equipment Regional Carrier (DMERC) Billing Procedures, adds two new sections instructing on the frequency and sequence in which DME claims may be filed to the DMERC. Distinguishes between a refill and and renewal of a DME prescription, and supplier/manufacturer responsibilities in either case.

These instructions should be implemented within your current operating budget.

DISCLAIMER: The revision date and transmittal number only apply to the redlined material. All other material was previously published in the manual and is only being reprinted.

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CLAIMS, FILING, JURISDICTION
AND DEVELOPMENT PROCEDURES

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* 3010. DURABLE MEDICAL EQUIPMENT REGIONAL CARRIER (DMERC) BILLING
* PROCEDURES
*

* For efficient and effective use of Medicare operational and program resources, claims should not be
* submitted more frequently than monthly; in the case of continuous periods of service, claims should be
* submitted in sequence. Suppliers may not automatically mail or deliver durable medical equipment,
* prosthetics, orthotics, and supplies (DMEPOS). Inform suppliers of DMEPOS about these billing
* procedures.
*

* A. Frequency of Claims--Repetitive DMERC services. In consideration of efficient and effective
* use of Medicare program resources and administrative requirements, where there are cases of known
* continuous periods of service, claims should be submitted in sequence and should not be submitted more
* frequently than monthly. By limiting the billing to a 30-day cycle, we are saving extensive operational
* expenditures and at the same time simplifying the review process. These services will include all items
* processed by the DMERCs.
*

* Items or services which when known will be provided to a single individual on more than one encounter
* and within a 30 day period, should be billed no more frequently than monthly (or at the conclusion of
* treatment).
*

* Review claims from providers known to be furnishing repetitive services to determine if they are billing
* more frequently than proper.
*

* Be alert to situations where the rental period or treatment plan is completed or discontinued because the
* beneficiary dies or moves.
*

* B. Claims Should be Submitted in Sequence-- For items or services furnished over an extended
* period (e.g., capped rental equipment or therapies) instruct suppliers to bill their claims in sequence for
* each beneficiary. When there is a break in service (interruption of capped rental or outpatient therapies
* as the result of an extensive inpatient stay), sequential billing should continue when the services resume.
*

* C. Automatic Mailing/Delivery of DMEPOS-- Suppliers/manufacturers may not automatically
* deliver DMEPOS to beneficiaries unless the beneficiary, physician, or designated representative has
* requested additional supplies/equipment. The reason is to assure that the DMEPOS are actually needed.
* Contractor review should be done of a post-pay basis.
*

* A beneficiary or their care giver must specifically request refills of repetitive services and/or supplies
* before they are dispensed. A supplier may not initiate a refill of an order. The supplier must not
* automatically dispense a quantity of supplies on a predetermined regular basis.
*

* A request for refill is different than a request for a renewal of a prescription. Generally, the beneficiary
* or care giver will rarely keep track of the end date of a prescription. Furthermore the physician is not
* likely to keep track of this. The supplier is the one who will need to have the order on file and will know
* when the prescription will run out and a new order is needed. It is reasonable to expect the supplier to
* contact the physician and ask for a renewal of the order. This is consistent with the DMERC Supplier
* Manual which states: "The description of the item (on an order) may be completed by someone other than
* the physician (most commonly the supplier). However, the physician must review the order and sign and
* date it to indicate agreement." Again the supplier must not automatically mail or deliver the DMEPOS
* to the beneficiary until specifically requested.
*

- * Inform suppliers of these procedures via your bulletins and training sessions. These procedures will
- * benefit suppliers by helping to maximize claims processing accuracy, and to reduce the likelihood of a
- * postpayment claim denial because the DMEPOS were not medically necessary.