




DMEPOS and Pharmacy CMS Presentation

Ohio Pharmacists Association
April 12, 2013



Today's Presenter

National Government Services, Inc.

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Acronyms

ABN	Advanced Beneficiary Notice of Noncoverage
ADMC	Advance determination of Medicare coverage
CBA	Competitive bidding area
CBT	Computer based training
CERT	Comprehensive Error Rate Testing contractor
CMS	Centers for Medicare & Medicaid Services
CPT	Current procedural terminology
DME	Durable medical equipment
DMEPOS	Durable medical equipment, prosthetics, orthotics, and supplies
HCPCS	Healthcare Common Procedure Coding System
HIPAA	Health Insurance Portability and Accountability Act
IOM	Internet-Only Manual



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Acronyms

IVR	Interactive voice response (system)
LCD	Local coverage determination
MAC	Medicare administrative contractor
MU	Medicare University
NCD	National coverage determination
NPI	National provider identifier
PA	Policy article
PECOS	Provider enrollment, chain and ownership system
PHI	Protected health information
SNF	Skilled nursing facility
WOPD	Written order prior to delivery



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Objectives

- Identify specific categories of drugs and durable medical equipment that qualify for coverage under Medicare Part B DMEPOS
- Recognize the key requirements of a written order for a drug or piece of DME paid for through the Medicare DMEPOS benefit
- Explain the role of the CERT contractor in monitoring and evaluating Part B DMEPOS claims submitted by pharmacies
- DMEPOS and Pharmacy Education Plan



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Agenda

- Requirements
- Regulations and Rules
- Documentation
 - Orders
 - Medical Records
 - ABNs
 - Request for Refill and Proof of Delivery
- CERT contractor
- Resources



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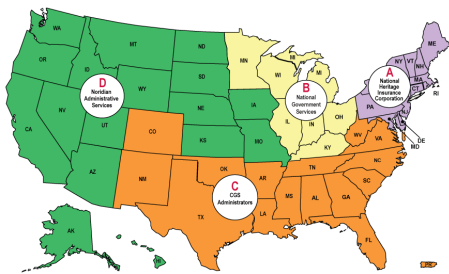
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Background



Medicare DME MACs



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- Has over 40 years of experience as a trusted partner to the federal government providing health care administration, support, and technology solutions
 - Process nearly 200 million total claims annually
 - Serving providers and suppliers in 18 states
 - Leader in electronic transmissions, processing > 70 million front-end DMEPOS claims each year



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DME Benefit Categories

- DME
- Prosthetic devices
- Braces (orthoses)
- Arm prostheses
- Leg prostheses
- Eye prostheses
- Surgical dressings
- Immunosuppressive drugs
- Therapeutic shoes for diabetics
- Oral anticancer drugs
- Oral antiemetic drugs (replacement for intravenous antiemetics)
- Intravenous immune globulin for primary immunodeficiency



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Definitions

- Supplier – entity that provides DMEPOS items to Medicare beneficiaries and receives payment by the DME MAC
 - Responsible for providing all supporting required medical records if requested
 - For instance, Pharmacies are a DMEPOS supplier



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Definitions

- Intermediary biller (e.g., Alwin, OmniSYS, EMDEON) – a third party that may bill on behalf of the Medicare supplier
 - Contracted by the supplier to bill claims on their behalf to the DME MACs
 - Not responsible by Medicare for providing all supporting required medical records if requested
 - If claims are billed incorrectly the responsibility will fall on the supplier for Medicare purposes



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Regulations and Rules



Supplier Standards

- 1. A supplier must be in compliance with all applicable federal and state licensure and regulatory requirements.
- 5. A supplier must advise beneficiaries that they may rent or purchase inexpensive or routinely purchased durable medical equipment and of the purchase option for capped rental equipment.
- 12. A supplier is responsible for delivery and must instruct beneficiaries on use of Medicare covered items and maintain proof of delivery.
- 16. A supplier must disclose these supplier standards to each beneficiary to whom it supplies a Medicare-covered item.



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Accreditation

- 22. All suppliers must be accredited by a CMS-approved accreditation organization in order to receive and retain a supplier billing number. The accreditation must indicate the specific products and services for which the supplier is accredited in order for the supplier to receive payment of those specific products and services (except for certain exempt pharmaceuticals). Implementation date—October 1, 2009.
- 23. All suppliers must notify their accreditation organization when a new DMEPOS location is opened.
- 24. All supplier locations, whether owned or subcontracted, must meet the DMEPOS quality standards and be separately accredited in order to bill Medicare.
- 25. All suppliers must disclose upon enrollment all products and services, including the addition of new product lines for which they are seeking accreditation.



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Jurisdiction Supplier Manual

- <http://www.NGS Medicare.com>
- Supplier Manual under Quick Links
 - Chapter 2: Enrollment Process
 - Chapter 4: Intake Process
 - Chapter 6: Medical Policy Information
 - Chapter 8: Documentation
 - Chapter 10: Advance Beneficiary Notice of Noncoverage



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Policies

- Suppliers must follow the medical policies based on the item(s) they provide:
 - NCDs
 - LCDs
 - <http://apps.ngsmedicare.com/applications/lcd.aspx?CatID=3&RegID=51>
 - Items without a policy



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IOMs

- CMS IOM Publication 100-01, *Medicare General Information, Eligibility and Entitlement Manual*
- CMS IOM Publication 100-02, *Medicare Benefit Policy Manual*
- CMS IOM Publication 100-04, *Medicare Claims Processing Manual*
- CMS IOM Publication 100-05, *Medicare Program Integrity Manual*
- Located at <https://www.cms.gov/Manuals/IOM/list.asp>



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Intake Process

- Obtain medical record documentation to support medical necessity
 - Not required but **STRONGLY** recommended
- Maintain documentation for up to 7 years



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Intake Process

- Check eligibility
- Ensure Medical necessity
- Check for same and similar
- Execute ABN if medical necessity not met
 - Obtain properly executed ABN



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Orders



Authorized to Order

- Nurse practitioner or clinical nurse specialist
- Physician assistant
- Eligible medical professional who is enrolled in PECOS
- Exception – Chiropractors



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Dispensing Order

- Verbal or preliminary written order:
 - Description of the item
 - Beneficiary's name
 - Prescribing Physician's name
 - Date of the order and the start date, if the start date is different from the date of the order
 - Physician signature (if a written order) or supplier signature (if verbal order)
- May dispense but cannot bill Medicare yet
 - Many state pharmacy laws only require a dispensing order but Medicare requires a detailed written order prior to billing



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Detailed Written Order

- Must contain at a minimum:
 - Beneficiary's name
 - Physician's name
 - Detailed description of all item(s) provided
 - Including all options and additional features that will be billed or require an upgraded code
 - May be a narrative description or brand name/model number
 - Must state "custom" for all custom items billed
 - Physician's signature and signature date
 - Date of the order and the start date, if start date is different from the date of the order



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Orders for Items Provided on Periodic Basis

- For items provided on a periodic basis, including drugs, the written order must include:
 - Item(s) to be dispensed
 - Dosage or concentration, if applicable
 - Route of administration
 - Frequency of use
 - Duration of infusion, if applicable
 - Quantity to be dispensed
 - Number of refills



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Physician Signatures

- Medicare requires a legible identifier for services provided/ordered - this may be handwritten or electronic
- If a signature is missing, the order is invalid
- Stamped signatures and signature dates are not acceptable



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Signature Logs

- Should include at a minimum:
 - Physician printed name
 - Physician signature
 - Physician initials
 - Credentials and NPI (encouraged)
- Provide in audit situation

PRINTED NAME	SIGNATURE/INITIALS	CREDENTIALS
Dr. John Smith	<i>Dr. John Smith</i> / JS M.D.	M.D.



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Electronic Signatures

- Some examples of acceptable notations of electronic signatures (not all inclusive list):
 - Electronically signed by
 - Authenticated by
 - Approved by
 - Completed by
 - Finalized by
 - Signed by
 - Validated by
 - Sealed by

Electronic Signature on 08-17-2009 Mon 10:07:00 PM, by Adrian Oleck M.D. (USER AOLECK)



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Order Changes

- CMS IOM Publication 100-08, Chapter 5, Section 5.3.1:
 - Physician must line through error
 - Initial, and
 - Date the correction
 - If not noted, order considered invalid



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When is a new order required?

- Change in the order
- Regular basis if specified in an LCD even if there is no change in the order
- Change in the supplier
- Replacement
- Required by state and federal laws



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Medical Records



Medical Records

- Include records by physicians and other health care professionals for services performed:
 - In office setting
 - Other outpatient facility
 - Inpatient hospital
 - SNF
 - Home health visit



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Beneficiary Medical Records

- Physician office notes:
 - Beneficiary name
 - Usual physician's format for medical records
 - Date of visit
 - Medical information
 - Physician signature



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Medical Record Requirements

- Beneficiary name, date, and physician signature
 - Missing physician signature on the medical records is one of the most common error reasons
- Signature Attestation Statement

"I, [full name of the physician/practitioner], hereby attest that the medical record entry for [Date of Service] accurately reflects notations that I made in my capacity as [insert provider credentials, e.g., M.D.] when I treated/diagnosed the above listed Medicare beneficiary. I do hereby attest that this information is true, accurate and complete to the best of my knowledge and I understand that any falsification, omission or concealment of material fact may subject me to administrative, civil or criminal liability."



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Continued Use

- Continued use describes the ongoing utilization of supplies or a rental item by a beneficiary
- Suppliers are responsible for monitoring utilization of DMEPOS rental items and supplies
 - Suppliers must discontinue billing Medicare when rental items or ongoing supply items are no longer used by the beneficiary



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Continued Use

- Any of the following may serve as documentation that an item submitted for reimbursement continues to be used by the beneficiary:
 - Timely documentation in the beneficiary's medical record showing usage of the item, related option/accessories and supplies
 - Supplier records documenting the request for refill/replacement of supplies in compliance with Refill Documentation Requirements
 - (This is deemed to be sufficient to document continued use for the base item, as well)
 - Supplier records documenting beneficiary confirmation of continued use of a rental item



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Continued Medical Need

- Initial justification for medical need is established at the time the item(s) is first ordered
 - Beneficiary medical records demonstrating that the item is reasonable and necessary are created just prior to, or at the time of, creation of the initial prescription



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Continued Medical Need

- There must be information in the beneficiary's medical record to support that the item continues to be used by the beneficiary and remains reasonable and necessary
 - A recent order by the treating physician for refills
 - A recent change in prescription
 - A properly completed CMN with an appropriate length of need specified
 - Timely documentation in the beneficiary's medical record showing usage of the item



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Continued Use and Medical Need

- Timely documentation is defined as a record in the preceding 12 months unless otherwise specified elsewhere in the policy
 - This applies to both continued use and continued medical need



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Continued Need Documentation

- Documentation indicating the patient is still under the supervision of a physician, and
- The patient's condition still necessitates the need for the item being billed
 - Should be within 12 months prior to the date of service on the claim, some exceptions apply



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What is NOT a Medical Record

- Supplier created forms (even if completed by the physician and included in chart)
- Attestation statements signed by physician
- After-the-fact letters from physician to supplier
- Certificates of Medical Necessity



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Advance Beneficiary Notice of Noncoverage (ABN)

- Services not reasonable and necessary; includes
 - Upgrades
 - Amount/frequency ordered exceeds policy parameters
 - Same/similar items
- Unsolicited telephone contacts
- Supplier number requirements not met
- ADMC denial
- Noncontract supplier providing competitively bid item to beneficiary in a CBA



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Request for Refill and Proof of Delivery



Request for Refill

- Items supplied as a refill to the original order
- Contact with the beneficiary no sooner than 14 calendar days prior to the delivery/shipping date
 - No automatic shipping on pre-determined basis -- even if authorized by the beneficiary



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Request for Refill

- Contact may be written or telephone
- For items picked up by beneficiary, the signed delivery slip serves as refill request
- The documentation must include:
 - Beneficiary's name or authorized representative if different than the beneficiary
 - A description of each item that is being requested
 - Date of refill request
 - Information documenting that the beneficiary's remaining supply is approaching exhaustion by the expected delivery date



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Proof of Delivery

- Suppliers are required to maintain proof of delivery documentation in their files
 - Must be maintained for seven years
 - Must be made available to the DME MAC upon request
- There are three possible methods



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POD Method 1 Direct Delivery

- The POD record must include:
 - Beneficiary's name
 - Delivery address
 - Sufficiently detailed description to identify the item(s) being delivered (e.g., brand name, serial number, narrative description)
 - Quantity delivered
 - Date delivered
 - Beneficiary (or designee) signature and date of signature



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POD Method 2 Items Shipped

- The POD record must include:
 - Beneficiary's name
 - Delivery address
 - Delivery service's package identification number, supplier invoice number or alternative method that links the supplier's delivery documents with the delivery service's records.
 - Sufficiently detailed description to identify the item(s) being delivered (e.g., brand name, serial number, narrative description)
 - Quantity delivered
 - Date delivered
 - Evidence of delivery



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POD Method 3 Delivery to SNF

- Supplier delivers items directly to a nursing facility
 - documentation described for Method 1
- Delivery service or mail order
 - documentation described for Method
- Information from the nursing facility showing that the item(s) delivered for the beneficiary's use were actually provided to and used by the beneficiary



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Comprehensive Error Rate Testing (CERT) Contractor



CERT Program

- CERT Contractor - <https://www.cms.gov/CERT/>
 - Livanta - Documentation Contractor
 - Advance Med - Review Contractor
 - Random audits
 - Measure claims paid error rate



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CERT Documentation Requests

- Submit all documentation and cover letter within 30 days from the date of the initial request letter as follows:
 - 1st request letter – 30 days to respond
 - 2nd request letter – 15 days to respond
 - 3rd request letter – 15 days to respond
 - 4th request letter – 15 days to respond
- If no response then claim will be denied and a demand letter will be sent

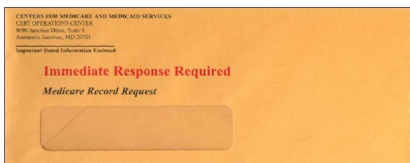


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CERT – Request Envelope

- You should place high priority on responding timely to any request that you receive in this envelope
- Sent to payee address on file



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Pharmacy Education Plan and Resources




Education Plan

- Continue pharmacy education efforts
- Maintain relationship and provide education with each state's Pharmacists Associations
- Finalize Computer Based Training DMEPOS and Pharmacy with CEUs
- More education to retail pharmacies and physicians on understanding DMEPOS requirements


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Resources for Pharmacists

- IVR system
 - 877-299-7900
- Provider Contact Center
 - 866-590-6727 (TTY: 888-897-7534)
- Web site <http://www.NGS Medicare.com>
 - Medical Policy Center (LCDs)


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Resources for Pharmacists

- Connex
 - On-line Web application
 - Available 24/7
 - Information obtained from the local system is only available:
 - Monday – Friday: 7:00 a.m.–6:00 p.m. ET
 - Saturday: 7:00 a.m.–3:00 p.m. ET
 - Not available during system upgrades/maintenance



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Medicare University



Medicare University

- <http://www.MedicareUniversity.com>
- Interactive Online System available 24/7
- National Government Services Education
 - Computer Based Training Courses
 - Self-Report Attendance
 - Teleconferences
 - Webinars
 - Face-to-face seminars/conferences



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