DMEPOS ACCREDITATION

FACT SHEET

Section 302 of the Medicare Modernization Act (the Act) required the Secretary to establish and implement quality standards for suppliers of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS). All suppliers that furnish Durable Medical Equipment (DME), prosthetic device, prosthetic, or orthotic items or services must comply with the quality standards in order to receive Medicare Part B payments and to retain a supplier billing number. Covered items include:

- DME
- Medical supplies;
- Home dialysis supplies and equipment;
- Therapeutic shoes;
- Parenteral and enteral nutrient, equipment and supplies;
- Transfusion medicine; and
- Prosthetic devices, prosthetics, and orthotics.

The standards are published at http://www.cms.hhs.gov/medicareprovidersupenroll on the Centers for Medicare & Medicaid Services (CMS) website. Also, note that Section 1847(b)(2)(A)(i) of the Act requires DMEPOS suppliers to meet the quality standards before being awarded a contract under the Medicare DMEPOS Competitive Bidding Program.

The quality standards are separated into two sections and have three appendices, as follows:

- Section I includes the business standards that apply to all suppliers and focus on standards for administration, financial management, human resource management, consumer services, performance management product safety, and information management.
- Section II contains service standards, including intake, delivery and setup, training and instruction of the beneficiary and/or their caregiver, and follow-up service.
- Appendix A deals with respiratory equipment, supplies, and services.
- Appendix B deals with manual wheelchairs and power mobility devices, including complex rehabilitation and assistive technology.
- Appendix C deals with custom fabricated, custom fitted and custom -made orthotics, prosthetic devices, somatic, ocular and facial prosthetics, and therapeutic shoes and inserts.

DMEPOS suppliers submitting an enrollment application to the National Supplier Clearinghouse (NSC) on or after <u>March 1, 2008</u> must be accredited prior to submitting the application. The NSC shall not approve any DMEPOS supplier's enrollment application if the enrollment package does not contain an approved accreditation upon receipt or in response to a developmental request. The NSC shall reject the enrollment application unless the DMEPOS supplier provides supporting documentation that demonstrates that the supplier has an approved accreditation.

DMEPOS suppliers who are enrolled for the first time with the NSC between January 1, 2008 and February 29, 2008 must obtain and submit an approved accreditation to the NSC <u>by January 1, 2009.</u> The NSC shall revoke a DMEPOS supplier's billing privileges if the DMEPOS supplier fails to obtain and submit supporting documentation that the DMEPOS supplier has been accredited.

Existing DMEPOS suppliers enrolled in the Medicare program (prior to January 1, 2008) are required to obtain and submit an approved accreditation to the NSC by <u>September 30, 2009</u>. The NSC shall revoke a DMEPOS supplier's billing privileges if the DMEPOS supplier fails to obtain and submit supporting documentation that the DMEPOS supplier has been accredited.

CMS will require accreditation organizations to prioritize their surveys of suppliers to accredit suppliers who will be participating in the Medicare DMEPOS Competitive Bidding Program.

Suppliers should note that:

- All surveys are performed on site at the supplier location.
- All surveys are unannounced.
- Accreditation cannot be transferred upon merger, acquisition or sale the National Supplier Clearinghouse (NSC) and the Accreditation organization must be notified when these events occur.
- The Accreditation organization and the NSC will be coordinating efforts so that the supplier number shall be revoked when accreditation is revoked.
- Suppliers can contact the deemed accrediting organizations directly based on the information provided at the CMS website.

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FREQUENTLY ASKED QUESTIONS

1. Who will have priority during the accreditation process?

CMS has instructed the accrediting organizations (AO's) to focus first on suppliers in the 70 Metropolitan Statistical Areas that are in round two of the competitive bidding areas. To the extent that the AO has the capacity to accredit other suppliers that are not bidding, they can process those applications after the competitive bidding applications or concurrently.

2. Do the Accrediting Organizations have enough capacity to get everyone accredited by September of 2009?

Yes. The AO's have increased surveyor staffing anticipating the additional workload. The DMEPOS supplier should choose the AO based upon their deemed status, policies, procedures and the philosophy of the organization. CMS encourages the suppliers to ask the AO's questions, such as, how long it takes to become accredited from application to accreditation decision. The time to become accredited can take up to 7 months for some organizations.

3. Who are the approved DMEPOS accrediting organizations?

In December 2006, CMS approved (deemed) 10 ten national accreditation organizations that will accredit suppliers of durable medical equipment, prosthetics, orthotics and supplies (DMEPOS) as meeting new quality standards under Medicare Part B. Most of the accreditation organizations are authorized to accredit all major supplier types, and most will be able to accredit both national and local suppliers, as well as mail order companies. A list of the CMS-approved deemed accreditation organizations and information about the types of suppliers each accrediting organization is approved to accredit and how to contact a deemed accrediting organization is posted on the CMS Web site at: www.cms.hhs.gov/Medicareprovidersupenroll.

4. Where can I find the quality standards?

The quality standards are published on the CMS website at:

<u>www.cms.hhs.gov/medicareprovidersupenroll</u> or www.cms.hhs.gov/CompetitiveAcqforDMEPOS/ .

5. If I buy an existing supplier, do I need to get it accredited?

Accreditations are non-transferable. However if the buyer is accredited, the buyer's accreditor may accredit the new supplier location for three months after it is operational without requiring a new site visit.

6. If I have just recently received a survey by an accreditor will I be subject to a site visit by a representative of the National Supplier Clearinghouse (NSC)?

These actions are independent of one another. The accreditor checks quality standards. The NSC site visit concerns enforcing supplier standards. In many cases a new supplier will receive a site survey by the AO and a site visit by the NSC.

7. Is information transferred between the accreditor and NSC?

Transfer of information between these two entities concerning their findings does occur. The NSC needs to know if a supplier is accredited prior to issuing an enrollment number, thus they will need to verify the accreditation status with the AO.

8. Will the accreditation survey efforts be coordinated with reenrollment efforts?

Not at the present time. A supplier must meet both the NSC supplier standards and the accreditation requirements on a continuous basis. We are not changing reenrollment dates and timeframes to match survey timeframes.

9. How will these deadlines affect the DMEPOS Provider Enrollment Demonstration Project in South Florida and Southern California?

As part of the ongoing DMEPOS Provider Enrollment Demonstration Project in South Florida and Southern California, certain selected DMEPOS suppliers in the demonstration locales will receive a letter from the NSC requiring the supplier to obtain accreditation by the date specified in the NSC letter.