



Do you have your NPI? National Provider Identifiers (NPIs) will be required on claims sent on or after May 23, 2007. Every health care provider needs to get an NPI. Learn more about the NPI and how to apply for an NPI by visiting <http://www.cms.hhs.gov/NationalProvIdentStand/> on the CMS website.

MLN Matters Number: MM5417

Related Change Request (CR) #: 5417

Related CR Release Date: December 8, 2006

Effective Date: January 1, 2007

Related CR Transmittal #: R1125CP

Implementation Date: January 2, 2007

## Fee Schedule Update for 2007 for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)

### Provider Types Affected

Physicians, suppliers, and providers who bill Medicare contractors (Part A/B Medicare Administrative Contractors (A/B MACs), durable medical equipment regional carriers (DMERCs), DME Medicare administrative contractors (DME MACs), fiscal intermediaries (FIs), carriers, and/or regional home health intermediaries (RHHIs)), for services paid under the DMEPOS Fee Schedule.

### Provider Action Needed

This article is based on Change Request (CR) 5417, and it provides specific information regarding the annual update for the 2007 DMEPOS Fee Schedule. Be sure billing staff are aware of this update.

### Background

The DMEPOS fee schedules are updated on a quarterly basis in order to:

- Implement fee schedule amounts for new codes; and
- Revise any fee schedule amounts for existing codes that were calculated in error.

Payment on a fee schedule basis is required for:

- Durable Medical Equipment (DME), prosthetic devices, orthotics, prosthetics, and surgical dressings by the Social Security Act (Sections 1834(a), (h), and (i)); and

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- Parenteral and Enteral Nutrition (PEN) by regulations contained in the Code of Federal Regulations (42 CFR 414.102).

**Note:** DMERCs and DME MACS will use the 2007 PEN fee schedule payment amounts to pay claims for items furnished from January 1, 2007, through December 31, 2007.

### *Deleted HCPCS Codes*

The following codes are being **deleted** from the HCPCS effective January 1, 2007, and are therefore being removed from the DMEPOS and PEN fee schedule files.

A4348	L0100	L6740	L6825	L6872
A4359	L0110	L6745	L6830	L6873
A4462	L3902	L6750	L6835	L6875
A4632	L3914	L6755	L6840	L6880
E0164	L6700	L6765	L6845	L7010
E0166	L6705	L6770	L6850	L7015
E0180	L6710	L6775	L6855	L7020
E0701	L6715	L6780	L6860	L7025
E0977	L6720	L6790	L6865	L7030
E0997 thru E0999	L6725	L6795	L6867	L7035
E2320	L6730	L6800	L6868	
K0090 thru K0097 K0099	L6735	L6806 thru L6809	L6870	

### *Added HCPCS*

The HCPCS codes listed below are being **added to the HCPCS** on January 1, 2007:

A4461	A9279	L1001	L6703
A4463	E0676	L3806	L6704
A4559	E0936	L3808	L6706
A4600	E2373 thru E2377	L3915	L6707 thru L6709
A4601	E2381 thru E2396	L5993	L7007 thru L7009
A8000	K0733 thru K0737	L5994	L8690
A8001		L6611	L8691
A8002		L6624	L8695
A8003		L6639	
A8004			

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### ***Payment Rates for Oxygen and Oxygen Equipment***

As part of this fee schedule update, the Centers for Medicare & Medicaid Services (CMS) is implementing national monthly payment rates for oxygen and oxygen equipment effective for claims with dates of service on or after January 1, 2007. The 2007 national monthly payment rates are listed in the table below. As a result of these changes, CMS is revising the fee schedule amounts for codes E1405 and E1406. Since 1989, the fees for E1405 and E1406 have been established based on a combination of the Medicare payment amounts for stationary oxygen equipment and nebulizer codes E0585 and E0570, respectively.

As part of these changes, suppliers must submit claims with both the code for stationary oxygen contents (E0441 or E0442) and the code for portable oxygen contents (E0443 or E0444) when billing for payment for furnishing both stationary and portable oxygen contents for beneficiary-owned gaseous or liquid stationary and portable oxygen equipment.

HCPCS Codes	Amount	Class
E0424, E0439, E1390, and E1391	\$198.40	Stationary Oxygen Equipment (including stationary concentrator, liquid and gaseous equipment) and Oxygen Contents (stationary and portable)
E0431 and E0434	\$31.79	Portable Equipment Only (gaseous or liquid tanks)
E1392 and K0738	\$51.63	Oxygen Generating Portable Equipment (OGPE) Only
E0441 and E0442	\$77.45	Oxygen Contents for Beneficiary-Owned Stationary Gaseous or Liquid Oxygen Equipment
E0443 and E0444	\$77.45	Oxygen Contents for Beneficiary-Owned Portable Gaseous or Liquid Oxygen Equipment

The fee schedules for HCPCS code E0461 (Volume Control Ventilator, Without Pressure Support Mode, May Include Pressure Control Mode, Used with Non-Invasive Interface (E.G. Mask)) are being revised as part of this update to correct calculation errors and are effective for dates of service on or after January 1, 2007.

### ***Gap-Fill Items***

The Medicare DMERCS and DME MACs will gap-fill base fee schedule amounts for each State in their region for the following new and revised HCPCS codes that will be subject to the DMEPOS fee schedules in 2007:

- Inexpensive or routinely purchased DME for codes A8002, A8003, A8004, E2373, E2374, E2375, E2376, E2377, E2388, E2389, E2390, E2391, E2392, E2393, E2394, E2395

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- Capped rental DME codes of E0639 and E0640
- Prosthetics and Orthotics codes of L1001, L3806, L3808, L3915, L5993, L5994, L6611, L6624, L6639
- Surgical Dressings codes of A4463
- DME supplies codes of A4559

## Additional Information

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If you have questions, please contact your Medicare A/B MAC, FI, DMERC, DME/MAC, RHHI or carrier at their toll-free number which may be found at: <http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website.

For complete details regarding this Change Request (CR) please see the official instruction (CR5417) issued to your Medicare A/B MAC, DMERC, DME MAC, FI, RHHI, or carrier. That instruction may be viewed by going to <http://www.cms.hhs.gov/Transmittals/downloads/R1125CP.pdf> on the CMS website.

### Flu Shot Reminder

As a respected source of health care information, patients trust their doctors' recommendations. If you have Medicare patients who haven't yet received their flu shot, help protect them by recommending an annual influenza and a one time pneumococcal vaccination. Medicare provides coverage for flu and pneumococcal vaccines and their administration. – And don't forget to immunize yourself and your staff. **Protect yourself, your patients, and your family and friends.** Get Your Flu Shot. Remember - Influenza vaccination is a covered Part B benefit. Note that influenza vaccine is NOT a Part D covered drug. For more information about Medicare's coverage of adult immunizations and educational resources, go to CMS's website:

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0667.pdf> .

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