

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-08 Medicare Program Integrity	Centers for Medicare & Medicaid Services (CMS)
Transmittal 944	Date: March 06, 2020
	Change Request 11541

SUBJECT: Section 4.26.2 in Chapter 4 of Publication (Pub.) 100-08

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to re-insert a paragraph in section 4.26.2 in chapter 4 of Pub. 100-08 that was deleted in error. The paragraph permits a supplier to deliver a Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) item to the patient's home approximately two (2) days prior to the patient's anticipated discharge.

EFFECTIVE DATE: April 06, 2020

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: April 06, 2020

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. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	4/4.26/4.26.2/Exceptions

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

**Business Requirements
Manual Instruction**

Attachment - Business Requirements

Pub. 100-08	Transmittal: 944	Date: March 06, 2020	Change Request: 11541
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SUBJECT: Section 4.26.2 in Chapter 4 of Publication (Pub.) 100-08

EFFECTIVE DATE: April 06, 2020

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IMPLEMENTATION DATE: April 06, 2020

I. GENERAL INFORMATION

A. Background: This CR will re-insert a paragraph section 4.26.2 of chapter 4 in Pub. 100-08 that was deleted in error. The paragraph permits a supplier to deliver DMEPOS to the patient's home approximately two (2) days prior to the patient's anticipated discharge. The supplier shall bill the date of service on the claim as the date of discharge and shall use the Place of Service (POS) as 12 (Patient's Home).

B. Policy: This CR does not involve any legislative or regulatory policies.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
11541.1	The contractor shall permit a supplier to deliver a DMEPOS item to a patient's home in anticipation of a discharge from a hospital or nursing facility.				X					CERT, RAC, SMRC, UPICs
11541.1.1	The contractor shall permit the supplier to deliver the item to the patient's home approximately two (2) days prior to the patient's anticipated discharge to their home.				X					CERT, RAC, SMRC, UPICs
11541.1.2	The contractor shall require the supplier to bill the date of service on the claim as the date of discharge and the				X					CERT, RAC, SMRC, UPICs

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	POS as 12 (Patient's Home).									
11541.2	The contractor shall permit the supplier to deliver immunosuppressive drugs to the beneficiary's home (i.e., his/her own dwelling, an apartment, a relative's home, a home for the aged, or some other type of institution—such as an assisted living facility, or an intermediate care facility for individuals with intellectual disabilities (ICF/IID)) but not a hospital or skilled nursing facility.				X					CERT, RAC, SMRC, UPICs
11541.2.1	The contractor shall permit suppliers to deliver the initial prescriptions of a beneficiary's immunosuppressive drugs to an alternate address, such as the inpatient hospital that performed the transplant or alternative location where the beneficiary is temporarily staying (e.g., temporary housing), instead of delivering the drugs to the beneficiary's home address in certain cases, such as when a beneficiary who has received a transplant and does				X					CERT, RAC, SMRC, UPICs

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CWF	
	not return home immediately after discharge.									
11541.3	The contractor shall notify suppliers that no billing may be made for any day prior to the date of discharge from an inpatient facility.				X					CERT, RAC, SMRC, UPICs
11541.3.1	The contractor shall not permit a supplier to bill for drugs or other DMEPOS items used by the beneficiary prior to the beneficiary's discharge from a stay in an inpatient facility that does not qualify as the beneficiary's home.				X					CERT, RAC, SMRC, UPICs
11541.3.2	The contractor shall notify the supplier that billing the DME MAC for surgical dressings, urological supplies, or ostomy supplies that are provided during a stay in an inpatient facility that does not qualify as the beneficiary's home is not allowed. The contractor shall notify the supplier that these items are payable to the facility under Part A of Medicare and that this prohibition applies even if the item is worn home by the beneficiary from the inpatient facility.				X					CERT, RAC, SMRC, UPICs

Number	Requirement	Responsibility								
		A/B MAC			DME MAC	Shared-System Maintainers				Other
		A	B	HHH		FISS	MCS	VMS	CFW	
11541.3.3	The contractor shall notify the supplier that any attempt by the supplier and/or facility to substitute an item that is payable to the supplier for an item that, under statute, should be provided by the facility, may be considered to be fraudulent.				X					CERT, RAC, SMRC, UPICs

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			DME MAC	CEDI
		A	B	HHH		
11541.4	CR as Provider Education: Contractors shall post this entire instruction, or a direct link to this instruction, on their Web sites and include information about it in a listserv message within 5 business days after receipt of the notification from CMS announcing the availability of the article. In addition, the entire instruction must be included in the contractor's next regularly scheduled bulletin. Contractors are free to supplement it with localized information that would benefit their provider community in billing and administering the Medicare program correctly.				X	

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Maria Ciccanti, 410.786-3107 or Maria.Ciccanti@cms.hhs.gov , Catherine Zizwarek, 410-786-0088 or Catherine.Zizwarek@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0

Medicare Program Integrity Manual

Chapter 4 - Program Integrity

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(Rev. 944; 03-06-2020)

4.26.2 – Exceptions

(Rev. 944; Issued: 03-06-20; Effective: 04-06-20; Implementation: 04-06-20)

This section applies to UPICs. This section is applicable to DME MACs, RACs, SMRC, and CERT *MR* contractors, as noted in Ch. 5, Section 5.8.

Early Delivery to an Inpatient Facility in Anticipation of Discharge

Exceptions to the preceding statements concerning the date(s) of service on the claim occur when the items are provided in anticipation of discharge from an inpatient facility that does not qualify as the beneficiary's home. A supplier may deliver a DME, prosthetics, or orthotics item (but not supplies) to a beneficiary in an inpatient facility that does not qualify as the beneficiary's home, for the purpose of fitting or training the beneficiary in the proper use of the item. This delivery may be done up to two (2) days prior to the beneficiary's anticipated discharge to their home. The supplier must bill the date of service on the claim as the date of discharge and the supplier must ensure that the beneficiary takes the item home, or the supplier picks up the item at the facility and delivers it to the beneficiary's home on the date of discharge. The item must be medically necessary on the date of discharge, i.e., there is a physician's order and corroborating medical documentation to support a stated initial date of need that is no later than the date of discharge for home use, and the item must be for subsequent use in the beneficiary's home.

(See IOM Pub. 100-04, Chapter 20, Section 110.3, for the policy and billing procedures regarding the circumstances under which a supplier may deliver durable medical equipment, prosthetics, and orthotics (but not supplies) to a beneficiary who is in an inpatient facility that does not qualify as the beneficiary's home.)

Early Delivery to Home in Anticipation of Discharge

In some cases, it would be appropriate for a supplier to deliver a medically necessary item of durable medical equipment (DME), a prosthetic, or an orthotic (but not supplies) to a beneficiary's home in anticipation of discharge to a Place of Service that qualifies as home. A supplier may deliver an item of DME, a prosthetic or an orthotic to a beneficiary's home in anticipation of a discharge from a hospital or nursing facility. The supplier may arrange for actual delivery of the item no sooner than two (2) days prior to the beneficiary's anticipated discharge to their home. The supplier shall bill the date of service on the claim as the date of discharge and shall use the Place of Service (POS) as 12 (Patient's Home).

Early Delivery of Immunosuppressive Drugs

Delivery of the immunosuppressive drugs may be made to the beneficiary's home (i.e., his/her own dwelling, an apartment, a relative's home, a home for the aged, or some other type of institution— such as an assisted living facility, or an intermediate care facility for individuals with intellectual disabilities (ICF/IID) but not a hospital or skilled nursing facility). In certain cases, a beneficiary who has received a transplant does not return home immediately after discharge. In order to ensure timely beneficiary access to prescribed immunosuppressive medications at the time of discharge, suppliers may deliver the initial prescriptions of a beneficiary's immunosuppressive drugs to an alternate address, such as the inpatient hospital that performed the transplant or alternative location where the beneficiary is temporarily staying (e.g., temporary housing), instead of delivering the drugs to the beneficiary's home address.

To allow payment for the first immunosuppressive drug claim after the beneficiary is discharged from an inpatient stay, the immunosuppressive drug may be mailed by a supplier

no earlier than two (2) days before a beneficiary is discharged from an inpatient facility. The supplier must enter the date of discharge as the date of service on the claim.

Note that this is an optional, not mandatory, process. If the supplier chooses not to mail the immunosuppressive drug(s) prior to the beneficiary's date of discharge from the hospital, they may wait for the beneficiary to be discharged before delivering the drugs, and follow all applicable Medicare and DME MAC rules for immunosuppressive drug billing (for example, the date of service will be the date of delivery). If the supplier ships immunosuppressive drugs to an alternate address, all parties involved, including the beneficiary and the transplant facility, must agree to the use of this approach. The supplier will not receive additional payment for delivery to an alternate location.

Early and/or direct delivery to the transplant facility does not change the facility's responsibility to provide all immunosuppressive drugs required by the beneficiary for the duration of the beneficiary's inpatient stay.

(See IOM Pub. 100-04, Chapter 17, Section 80.3.3 for additional information.)

General Information

No billing may be made for any day prior to the date of discharge. A supplier may not bill for drugs or other DMEPOS items used by the beneficiary prior to the beneficiary's discharge from a stay in an inpatient facility that does not qualify as the beneficiary's home. Billing the DME MAC for surgical dressings, urological supplies, or ostomy supplies that are provided during a stay in an inpatient facility that does not qualify as the beneficiary's home is not allowed. These items are payable to the facility under Part A of Medicare. This prohibition applies even if the item is worn home by the beneficiary from the inpatient facility. Any attempt by the supplier and/or facility to substitute an item that is payable to the supplier for an item that, under statute, should be provided by the facility, may be considered to be fraudulent.

Separate payment will also not be available from either Medicare or the beneficiary if, for any reason, redelivery is necessary. All other applicable Medicare and DME MAC billing requirements continue to apply.