

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 12667</b>	<b>Date: May 31, 2024</b>
	<b>Change Request 13631</b>

**SUBJECT: Clarification of Liability for Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Claims Overlapping Inpatient Hospital Stays**

**I. SUMMARY OF CHANGES:** The purpose of this Change Request (CR) is to update the denial liability from a patient responsibility liability to a contractual obligation liability.

**EFFECTIVE DATE: July 1, 2024**

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

**IMPLEMENTATION DATE: July 1, 2024**

*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.

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
N/A	N/A

**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:**

**One Time Notification**

# Attachment - One-Time Notification

Pub. 100-20	Transmittal: 12667	Date: May 31, 2024	Change Request: 13631
-------------	--------------------	--------------------	-----------------------

**SUBJECT: Clarification of Liability for Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Claims Overlapping Inpatient Hospital Stays**

**EFFECTIVE DATE: July 1, 2024**

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

**IMPLEMENTATION DATE: July 1, 2024**

## I. GENERAL INFORMATION

**A. Background:** The purpose of this Change Request (CR) is to update the denial liability from a patient responsibility liability to a contractual obligation liability. Change Request (CR) 8844 - New Informational Unsolicited Response (IUR) Process for DME Items Furnished during a Part A Hospital Inpatient Stay implemented a new IUR (7202) for DMEPOS items furnished during a Part A hospital inpatient stay. BR 8844.9 instructed the contractors to assign liability to the patient. However, in CR 7189 - Revision to Common Working File (CWF) Edit for DMEPOS Provided During an Inpatient Stay - BR 7189.5 gave direction to the contractors to assign liability to the provider when CWF reject DA02 (the from date of service on the claim is within the admit and discharge date of an inpatient claim in history) was returned. This CR is to clarify that the liability of both the IUR and the CWF reject should be consistent and shall be assigned to the provider. Payment for DMEPOS provided during an inpatient stay is included in the hospital reimbursement and is not separately payable.

**B. Policy:** No policy changes.

## II. BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility									
		A/B MAC		D M E	Shared- System Maintainers				Other		
		A	B		H H H	M I A C	F S S	M C S		V M S	C W F
13631.1	<p>Contractors shall use the following remittance advice and MSN messages to deny claims for DME when the contractor receives an IUR from CWF indicating that the DMEPOS item was furnished during a period when the beneficiary was a hospital inpatient:</p> <p>Reason Code 97 - The benefit for this service is included in the payment/allowance for another service/procedure that has already been adjudicated.</p> <p>Remark Code M2- Not paid separately when the patient is an inpatient.</p>				X						

Number	Requirement	Responsibility									
		A/B MAC		H H H	D M E M A C	Shared- System Maintainers				Other	
		A	B			F I S S	M C S	V M S	C W F		
	Group Code CO – Contractual Obligation  MSN 8.46 - Payment is included in the allowance for another item or service provided at the same time.										
13631.2	Contractors shall adjust claims with the incorrect liability when brought to their attention.				X						

**III. PROVIDER EDUCATION TABLE**

Number	Requirement	Responsibility									
		A/B MAC		H H H	D M E M A C	Shared- System Maintainers				Other	
		A	B			F I S S	M C S	V M S	C W F		
13631.3	Medicare Learning Network® (MLN): CMS will develop and release national provider education content and market it through the MLN Connects® newsletter shortly after we issue the CR. MACs shall link to relevant information on your website and follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 for distributing the newsletter to providers. When you follow this manual section, you don't need to separately track and report MLN content releases. You may supplement with your local educational content after we release the newsletter.				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**

**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**