

Part B Insider (Multispecialty) Coding Alert

DURABLE MEDICAL EQUIPMENT: Your Doctors Can't Dispense DME To Anyone Else's Patients

Prepare for hassles with winning DME bidders

Attention: Now's the time to make sure your physicians- durable medical equipment (DME) dispensing practices meet the requirements to avoid the tough competitive bidding process.

The Centers for Medicare & Medicaid Services (CMS) just launched the bidding program for DME. In 10 metropolitan areas around the country, DME suppliers are competing for contracts to supply items to Medicare patients.

Good news: Physicians don't need to compete in the bidding process to keep supplying some items in the office, CMS says. You can keep supplying crutches, canes, walkers, folding manual wheelchairs, blood glucose monitors and infusion pumps that are classified as DME, CMS says.

To qualify for this exception, your physicians or practitioners must supply the items to their own patients as part of their professional services, CMS says. You must bill the items using a billing number assigned to your physician, practitioner or the group practice. You can't operate as a -commercial supplier- to other patients.

If your physician or practitioner is supplying a -bid item- within a bidding area, then you'll get paid -the single payment amount,- CMS says. That's the payment rate that comes from the competitive bidding amount in your area. (For a list of competitive bidding areas and items, go to www.dmecompetitivebid.com.)

All of the requirements of the Stark self-referral law still apply, so you should make sure any DME you provide fits within the in-office ancillary exception.

Competitive bidding may not affect your practice directly, but it could make life more complicated because you'll be at the mercy of a few winning bidders, says **Phil Porte**, executive director of the **National Association for the Medical Direction of Respiratory Care**.

Patients with breathing problems may have a harder time getting lightweight oxygen systems, even if your doctor prescribes them, says Porte. Also, your apnea patients may not be able to get hold of the respiratory assist devices (RADs) with backup rates that they need, Porte worries.

Note: If your physician prescribes a particular brand-name item of DME to your patients, DME suppliers will be required to supply that brand name. If they can't, they must find another supplier who can provide that exact item, CMS officials said at a recent physician open door forum. They may also contact your physician and ask if they can provide another brand name.