

# CMS adopts more strict regulations for DMEPOS suppliers

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On Aug. 26, the Centers for Medicare and Medicaid Services (CMS) issued new rules for suppliers of durable medical equipment, prosthetics, orthotics and supplies (DMEPOS). The new rules consist of additions and revisions to the supplier standards in 42 C.F.R. §424.57. The rules take effect Sept. 27, and enhance Medicare enrollment standards and strengthen existing standards that suppliers must meet before being able to furnish equipment and supplies to Medicare beneficiaries. Among other things, the rules require the following:

- Suppliers must be licensed to provide licensed services and cannot contract with an individual or an entity to provide the services.
- Suppliers must permit CMS and the National Supplier Clearinghouse (NSC) to conduct onsite inspections

to ascertain supplier compliance.

- Suppliers are prohibited from using cell phones, beepers or pagers as the primary method of receiving calls or exclusively using call forwarding to forward a call to a cell phone, beeper or pager from the public or beneficiaries during posted hours of operation.
- Suppliers cannot directly solicit patients, which includes, but is not limited to, a prohibition on telephone, computer, e-mail, instant messaging and internet coercive advertising.
- Suppliers must obtain oxygen from a state licensed oxygen supplier (applies only in states that require oxygen licensure).
- Suppliers are required to maintain ordering and referring documentation for a period of seven years from the date of service.
- Suppliers are prohibited from sharing a practice location with another Medicare supplier or provider (subject to certain exceptions).
- Subject to certain exceptions, suppliers must be open to the public a minimum of 30 hours per week.
- Suppliers must maintain a physical facility that measures at least 200 square feet (except for orthotic and

prosthetic personnel providing custom fabricated orthotics and prosthetics in private practice). The location must be accessible during posted business hours to beneficiaries and to CMS, and must include a visible sign and posted hours of operation.

A supplier who does not meet the requirements of the new rules may lose its billing privileges in the Medicare program. In addition, failure to comply with the rules could result in an overpayment finding.

*For questions about DMEPOS supplier standards, please contact Robert Cochran at 614.462.2248 or rcochran@szd.com or any member of SZD's Healthcare Practice Group.*

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