



## October Quarterly Update for 2021 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule

MLN Matters Number: MM12453

Related Change Request (CR) Number: 12453

Related CR Release Date: September 17, 2021

Effective Date: October 1, 2021

Related CR Transmittal Number: R11005CP

Implementation Date: October 4, 2021

### Provider Types Affected

---

This MLN Matters Article is for suppliers sending claims to Medicare Administrative Contractors (MACs) for DMEPOS items or services for Medicare patients that Medicare pays for using the DMEPOS fee schedule.

### Provider Action Needed

---

Make sure your billing staff knows about the changes to the DMEPOS fee schedule for October.

### Background

---

The October 2021 changes are as follows:

#### The COVID-19 Aid, Relief, and Economic Security (CARES) Act, 2020

[Sections 3712\(a\) and \(b\) of the CARES Act](#) require the following:

1. For items and services (subject to the fee schedule adjustments) provided in rural or non-contiguous areas, CMS continues to base the fee schedule amounts on a blend of 50% of the adjusted fee schedule amounts and 50% of the unadjusted fee schedule amounts (no change from the current fee schedule amounts), through December 31, 2020, or the duration of the COVID-19 Public Health Emergency (PHE), whichever is later.
2. For items and services (subject to the fee schedule adjustments) provided in non-rural contiguous non-Competitive Bidding Areas (CBAs), we base the fee schedule amount on a blend of 75% of the adjusted fee schedule amounts and 25% of the unadjusted fee schedule amounts (an increase in the fee schedule amounts) for claims with Dates of

Service (DOS) beginning March 6, 2020, and continuing until the end of the COVID-19 PHE.

The ZIP code associated with the address we use for pricing a DMEPOS claim decides the rural fee schedule payment for codes with rural and non-rural adjusted fee schedule amounts. The DMEPOS Rural ZIP code file has the ZIP codes for rural areas.

We don't include ZIP codes for non-continental Metropolitan Statistical Areas (MSAs) in the DMEPOS Rural ZIP code file. We update the DMEPOS Rural ZIP code file on a quarterly basis as necessary. Regulations in Section [414.202](#) define a rural area to be a geographical area with a postal ZIP code where at least 50% of the total geographical area of the ZIP code is estimated to be outside any MSA. A rural area also includes any ZIP Code within an MSA that is excluded from a CBA shown for that MSA. A former CBA ZIP code file has the CBA ZIP codes we use in pricing a claim for an item you give in a CBA. We update that file quarterly as necessary.

For more information on the 2021 DMEPOS fee schedules, see [MM12063](#); [MM12193](#); and [MM12345](#).

The DMEPOS fee schedule file contains fee schedule amounts for non-rural and rural areas. Also, the Parenteral and Enteral Nutrition (PEN) fee schedule file has state fee schedule amounts for enteral nutrition items and national fee schedule amounts for parenteral nutrition items.

For October 1, 2021, there are updates to the following:

1. DMEPOS fee schedule file
2. DMEPOS Rural ZIP code file for Quarter 4, 2021

**Note:** There are no updates to the PEN fee schedule file for Quarter 4, 2021.

These updates will be available as [Public Use Files \(PUFs\)](#) for State Medicaid Agencies, managed care organizations, and other interested parties.

### Specific Coding and Pricing Issues

New DMEPOS codes added to the HCPCS file, effective October 1, 2021, are listed in [Business Requirement 12453.6 of CR 12453](#). Don't use the new codes for billing purposes until the effective date of October 1, 2021.

We aren't adding any fee schedules to the DMEPOS fee schedule file for new and revised HCPCS codes (K1013, K1022-K1027) effective October 1, 2021. Your MAC makes Medicare coverage and payment determinations for these items until we establish national Medicare coverage and payment guidelines for these codes.

The DME MACs and A/B MACs Part B establish local fee schedule amounts paying claims for the new codes when applicable. They pay in accordance with the payment rules associated with each payment determination (for example, an item determined to be an expensive item of DME

that's reasonable and necessary and not otherwise excluded from coverage by statute, regulations, a National Coverage Determination, or program instructions, paid on a capped rental basis in accordance with [42 CFR 414.229](#)).

**Note:** Program instructions regarding DEMPOS gap-fill pricing are in [Chapter 23](#), Sections 60.3 and 60.3.1 of the Medicare Claims Processing Manual.

We're adding Code A4453 (Rectal catheter for use with the manual pump-operated enema system, replacement only) to the HCPCS code file effective October 1, 2021. We haven't added fee schedule amounts for A4453 as part of this update. A4453 describes a replacement catheter for use with the manual pump-operated enema system (code A4459).

We're adding Code K1021 (Exsufflation belt, includes all supplies and accessories) to the HCPCS file effective October 1, 2021. We aren't adding fee schedule amounts for this ventilator accessory to the DMEPOS fee schedule because payment for accessories is in the ventilator payments under the frequent and substantial servicing payment category.

We're adding the following codes are added to the HCPCS file effective January 1, 2022:

- A4436: Irrigation supply; sleeve, reusable, per month
- A4437: Irrigation supply; sleeve, disposable, per month

We're discontinuing HCPCS code A4397 (Irrigation supply; sleeve, each) effective December 31, 2021.

Continuity of pricing regulations at [42 CFR 414.236](#) show when a single code describes 2 or more distinct complete items and separate codes are later established for each item, the fee schedule amounts that applied to the single code continue to apply to each of the items described by the new codes. In this instance, the irrigation supply sleeve code A4397 is divided into separate reusable and disposable irrigation sleeve codes. The fee schedule amount for 1 month of the sleeves is equivalent to the A4397 fee schedule amount multiplied by the monthly use limit of 4. Therefore, the current monthly fee schedule amounts will continue to apply in codes A4436 and A4437 effective January 1, 2022.

As part of this DMEPOS fee schedule file update, the jurisdiction column for several HCPCS codes is revised from D for the jurisdiction of DME MACs to J for the joint jurisdiction of DME MACs and A/B MACs Part B to align with the DMEPOS claims processing jurisdiction list. These codes are A4216, A4217, A4217AU, A4265, A4310, A4311, A4312, A4313, A4314, A4315, A4316, A4320, A4321, A4326, A4327, A4328, A4330, A4331, A4332, A4333, A4334, A4336, A4338, A4340, A4344, A4346, A4349, A4351, A4352, A4353, A4354, A4355, A4356, A4357, and A4358.

### **Wheelchair Accessories and Seat and Back Cushions Used with Complex Rehabilitative Manual Wheelchairs, Certain Manual Wheelchairs, and Group 3 Power Wheelchairs**

On August 4, 2021, we published a combined final rule titled, Medicare Program: Inpatient

Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2022 and updates to the IRF Quality Reporting Program; Payment for Complex Rehabilitative Wheelchairs and Related Accessories (including Seating Systems) and Seat and Back Cushions Furnished in Connection with Such Wheelchairs, ([86 FR 42362](#)).

In this rule, we finalized an exemption for accessories (including seating systems) and seat and back cushions given in connection with Group 3 complex rehabilitative power wheelchairs from the fee schedule adjustments under [Section 1834\(a\)\(1\)\(F\) of the Social Security Act](#). This rule also finalizes an extension of this policy to wheelchair accessories (including seating systems) and seat and back cushions given in connection with complex rehabilitative manual and certain other manual wheelchairs described by HCPCS codes E1161, E1231, E1232, E1233, E1234, E1235, E1236, E1237, E1238, K0005, AND K0008.

We continue to base payment for these items you give in connection with a Group 3 power wheelchair, complex rehabilitative or certain manual wheelchair on the unadjusted fee schedule amounts updated in accordance with [Section 1834\(a\)\(14\) of the Act](#).

Continue to include the KU modifier when billing the manual and power wheelchair accessories and seat and back cushion codes given with the wheelchairs discussed above. A list of the wheelchair accessory and seat and back cushion codes given with Group 3 power wheelchairs (HCPCS codes K0848-K0864) is available in [Attachment A of CR 12453](#).

## More Information

We issued [CR 12453](#) to your MAC as the official instruction for this change.

For more information, contact your [MAC](#).

## Document History

Date of Change	Description
September 21, 2021	Initial article released.

**Disclaimer:** Paid for by the Department of Health & Human Services. This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2020 American Medical Association. All rights reserved.

Copyright © 2013-2021, the American Hospital Association, Chicago, Illinois. Reproduced by CMS with permission. No portion of the AHA copyrighted materials contained within this publication may be copied without the express written consent of the AHA. AHA copyrighted materials including the UB-04 codes and descriptions may not be removed, copied, or utilized within any software, product, service, solution or derivative work without the written consent of the AHA. If an entity wishes to utilize any AHA materials, please contact the AHA at 312-893-6816. Making copies or utilizing the content of the UB-04 Manual, including the codes and/or descriptions, for internal purposes, resale and/or to be used in any product or publication; creating any modified or derivative work of

the UB-04 Manual and/or codes and descriptions; and/or making any commercial use of UB-04 Manual or any portion thereof, including the codes and/or descriptions, is only authorized with an express license from the American Hospital Association. To license the electronic data file of UB-04 Data Specifications, contact Tim Carlson at (312) 893-6816. You may also contact us at [ub04@healthforum.com](mailto:ub04@healthforum.com)

The American Hospital Association (the "AHA") has not reviewed, and is not responsible for, the completeness or accuracy of any information contained in this material, nor was the AHA or any of its affiliates, involved in the preparation of this material, or the analysis of information provided in the material. The views and/or positions presented in the material do not necessarily represent the views of the AHA. CMS and its products and services are not endorsed by the AHA or any of its affiliates.