



DMEPOS Fee Schedule: October 2022 Quarterly Update

MLN Matters Number: MM12918

Related Change Request (CR) Number: 12918

Related CR Release Date: September 29, 2022 Effective Date: October 1, 2022

Related CR Transmittal Number: R11619CP Implementation Date: October 3, 2022

Related CR Title: October Quarterly Update for 2022 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule

Provider Types Affected

This MLN Matters Article is for suppliers and other providers billing Medicare Administrative Contractors (MACs) for DMEPOS they provide to Medicare patients.

Provider Action Needed

Make sure your billing staff knows about:

- The October 2022 quarterly update for the DMEPOS fee schedule
- Fee schedule amounts for new and existing codes

Background

CMS updates the DMEPOS fee schedules on a quarterly basis, when necessary, to implement fee schedule amounts for new and existing codes and apply changes in payment policies. This quarter's updates are as follows:

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

Fees in the July 2022 fee schedule update continue to show CARES Act requirements. Sections 3712 (a) and (b) of the [CARES Act](#) require the following:

- For items and services subject to fee schedule adjustments provided in rural or noncontiguous areas, the fee schedule amounts will continue based 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
- For items and services subject to fee schedule adjustments provided in non-rural contiguous non-competitive bidding areas (CBAs), the fee schedule amounts will be based 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 beginning March 6, 2020, and continuing until the end of the COVID-19 PHE

The ZIP code of the address used for pricing a DMEPOS claim decides the rural fee schedule payment applicable for codes with rural and non-rural adjusted fee schedule amounts. The DMEPOS Rural ZIP code file contains the ZIP codes designated as rural areas. ZIP codes for non-continental Metropolitan Statistical Areas (MSA) aren't included in the DMEPOS Rural ZIP code file. We update the DMEPOS Rural ZIP code file quarterly, as necessary.

Regulations at [42 CFR 414.202](#) define a rural area to be a geographical area represented by 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's excluded from a CBA established for that MSA.

Additional information on the 2022 DMEPOS fee schedules is available in program instructions:

- January 2022 Update for DMEPOS Fee Schedule, Transmittal 11137, [CR 12521](#)
- April 2022 Quarterly Update for DMEPOS Fee Schedule, Transmittal 11292, [CR 12654](#)
- July 2022 Quarterly Update for DMEPOS Fee Schedule, Transmittal 11451, [CR 12772](#)

This Article tells you about updates for the following files:

- DMEPOS fee schedule file for Quarter 4, 2022
- DMEPOS Rural ZIP code file for Quarter 4, 2022
- No updates to the PEN fee schedule file for Quarter 4, 2022

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 Codes Added

We added 2 new DMEPOS codes to the HCPCS file, effective October 1, 2022:

- A4596
- E0183

You can't use the new codes until they're effective on October 1, 2022.

As part of this update, we added fee schedule amounts to the DMEPOS fee schedule file for new and revised HCPCS codes: A4238, A4596, E0183, E2102, K1002, K1014, K1016-K1018, K1020, K1022, K1024-K1025, K1031-K1033, L2006, V2524. The fee schedule category listed in the file for some of these items may show revisions for benefit category determinations made using the procedures at [42 CFR 414.114 and 414.240](#).

We got public consultation on national Medicare benefit category determinations and payment determinations for these codes at the June 7 – 10, 2022 HCPCS Public Meetings using the process established by regulations for DMEPOS items and services at [42 CFR 414.114](#) and [414.240](#) for the B1 2022 Non-Drug and Non-Biological Items and Services Coding Cycle. See the [narrative summary](#) for these items.

Codes Deleted

No codes are deleted from the DMEPOS fee schedule file effective October 1, 2022.

Continuous Glucose Monitors (CGMs)

On December 28, 2021, we published the Medicare DMEPOS final rule in the Federal Register ([CMS-1738-F/CMS1687-F/CMS-5531-F](#)) that addressed the classification and payment of adjunctive CGMs under the Medicare Part B benefit for DME.

This rule expanded the classification of DME to a larger group of non-implantable CGMs, regardless of whether the CGMs are non-adjunctive (can alert patients when glucose levels are approaching dangerous levels, including while they sleep and also replace blood glucose monitors) or adjunctive (can alert patients when glucose levels may be approaching dangerous levels, including while they sleep but don't replace blood glucose monitors), as long as the CGMs otherwise satisfy the regulatory definition of DME.

Effective April 1, 2022, we added codes A4238 (Supply allowance for adjunctive CGM, includes all supplies and accessories, 1month supply = 1 unit of service) and E2102 (Adjunctive Continuous Glucose Monitor or Receiver) to the HCPCS file to describe adjunctive CGM receivers and related supplies and accessories. More information on the coding and payment for adjunctive CGMs is available in MLN Matters Article [MM12654](#).

We got public consultation on the adjunctive CGM and related supplies and accessories at a June 8, 2022 HCPCS Public Meeting. A [narrative summary](#) is available.

We've delayed the effective date for coding changes for new and revised CGM codes A4238, A9276, A9277, A9278, E2102, K0553, and K0554 until January 1, 2023.

The following payment determinations are added to the DMEPOS fee schedule file effective October 1, 2022:

- For the Class III adjunctive CGM monthly supplies code and modifier combination A4238KF, we set the 2022 fee schedule amount of \$240.98 by using \$272.97, the 2022 fee schedule amount for the Class III non-adjunctive CGM monthly supplies code and modifier combination K0553KF, minus \$31.99, the average monthly payment for supplies for a blood glucose monitor for insulin-treated patients with diabetes (not including the blood glucose monitor itself).

- For the Class III adjunctive CGM code and modifier combination E2102KFNU, we set the 2022 purchase new fee schedule amounts (average of \$195.66) by using the 2022 purchase new fee schedule amounts for the Class III non-adjunctive CGM code/modifier combination K0554KFNU (average of \$278.06), minus the 2022 purchase new fee schedule amount for the blood glucose monitor code/modifier combination E0607NU (average of \$82.40).

More Information

We issued [CR 12918](#) to your MAC as the official instruction for this change.

For more information, [find your MAC's website](#).

Document History

Date of Change	Description
September 29, 2022	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 2021 American Medical Association. All rights reserved.

Copyright © 2013-2022, 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

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.