

DMEPOS Fee Schedule: April 2024 Quarterly Update

Related CR Release Date: April 15, 2024 MLN Matters Number: MM13574 Revised

Effective Date: January 1, 2024 or April 1, 2024, Related Change Request (CR) Number: CR 13574

as noted in Article

Related CR Transmittal Number: R12584CP

Implementation Date: April 1, 2024

Related CR Title: April Quarterly Update for 2024 Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Fee Schedule

What's Changed: We revised the Article to show the addition of 4 HCPCS Level II codes to CWF category 58 (page 4). We also revised the effective date and the web address of CR 13574.

Affected Providers

- Suppliers
- Other providers billing Medicare Administrative Contractors (MACs) for DMEPOS they provide to Medicare patients

Action Needed

Make sure your billing staff knows about:

- Updates to CY 2024 fee schedule amounts for new and existing DMEPOS codes
- Changes in payment policy

Background

CMS updates the DMEPOS fee schedule quarterly to implement fee schedule amounts for new and existing codes, as applicable, and apply changes in payment policies.

Sections 1834(a), (h), and (i) of the <u>Social Security Act</u> (the Act) requires payment for certain DMEPOS on a fee schedule basis. Payment on a fee schedule basis also is a regulatory requirement at <u>42 CFR 414.102</u> for parenteral and enteral nutrition (PEN), splints, casts and intraocular lenses (IOLs) inserted in a physician's office. The DMEPOS and PEN fee schedule files contain HCPCS codes subject to fee schedule adjustments using information on the payment determined for these items under the DMEPOS Competitive Bidding Program (CBP), as well as codes that aren't subject to the CBP or fee schedule adjustments.





MLN Matters: MM13574 Related CR 13574

CR 13574 Updates

1. The Consolidated Appropriations Act, 2023

On December 29, 2022, the Consolidated Appropriations Act (CAA), 2023 was signed into law. Section 4139 of this legislation required that fee schedule amounts for items and services provided in non-rural contiguous non-Competitive Bidding Areas (CBAs) continue to be based on a blend of 75% of the adjusted fee schedule amounts and 25% of the unadjusted fee schedule amounts for claims with dates of service for the remainder of the COVID-19 Public Health Emergency (PHE) or December 31, 2023, whichever is later.

The COVID-19 PHE ended on May 11, 2023. Effective January 1, 2024, the fee schedule amounts for items and services you provide in non-rural contiguous non-CBAs is based on 100% of the fee schedule amounts adjusted in accordance with 42 CFR 414.210(g). Additional details are available in the Home Health Prospective Payment System final rule.

Effective January 1, 2024, there's a gap period in the DMEPOS CBP. All Medicare Round 2021 DMEPOS CBP contracts for Off-the-Shelf (OTS) back braces and OTS knee braces expired on December 31, 2023.

During the gap period, payment for items and services included in the CBP are equal to 80% of the lesser of the supplier's charge or the fee schedule amount for the item.

For items where we awarded contracts in Round 2021, for CY 2024, the fee schedule amounts for items you provided in areas that were CBAs as of December 31, 2023, are adjusted based on the Single Payment Amounts (SPAs) for each specific CBA, increased by the projected percentage change in the CPI-U of 2.9% for the 12-month period ending January 1, 2024. Similarly, for items that were included in Round 2021, but where contracts weren't awarded in Round 2021 of the CBP, we increased the 2023 adjusted fee schedule amounts by the projected CPI-U of 2.9% for CY 2024.

A former CBA ZIP Code file contains the CBA ZIP Codes used in pricing a claim for an item provided in a CBA and will be updated quarterly as necessary. Effective January 1, 2024, the former CBA ZIP Code file will contain the ZIP Codes for the CBAs included in Round 2021.

2. DMEPOS Rural ZIP Codes

The ZIP Code associated with the address used for pricing a DMEPOS claim determines the rural fee schedule payment applicability for codes with rural and non-rural fee schedule amounts adjusted in accordance with 42 CFR 414.210(g).

The DMEPOS Rural ZIP Code file contains the ZIP Codes of rural areas. ZIP Codes for non-contiguous Metropolitan Statistical Areas (MSAs) aren't in the DMEPOS Rural ZIP Code file, which we update quarterly, as necessary. 42 CFR 414.202 defines a rural area as 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.





MLN Matters: MM13574 Related CR 13574

3. Policies

CR 13574 updates the following files for April 2024, Quarter 2:

- DMEPOS fee schedule file
- DMEPOS PEN fee schedule file
- DMEPOS Rural ZIP Code file

These updates will be available as <u>Public Use Files</u> (PUFs) for State Medicaid Agencies, managed care organizations, and other interested parties.

4. Codes Added and Deleted

New DMEPOS codes we added to the HCPCS file, effective April 1, 2024, are:

- A4271
- A4438
- A4564
- A4593
- A4594
- A9293
- E0152
- E0468
- E0736
- E0738
- E0739E2104
- LZ101
- E2298
- K1037L1320
- L1320L5783
- L5841

We deleted Code E2300 from the HCPCS file, effective April 1, 2024.

5. Fee Schedule Amounts Added and Deleted

We added fee schedules amounts to the DMEPOS fee schedule file for these new and revised HCPCS codes effective April 1, 2024:

- A4271
- A4438
- E2104
- E0468





MLN Matters: MM13574 Related CR 13574

- E2298
- L5783
- L5841
- L8701
- L8702

We added fee schedules amounts to the PEN fee schedule file for 1 HCPCS codes, effective April 1, 2024:

• B4148

Effective January 1, 2024, we added the following not otherwise specified HCPCS Level II codes to the Common Working File (CWF) category 56: A6549, A6584, A6593, and A6609

More Information

We issued CR 13574 to your MAC as the official instruction for this change.

For more information, find your MAC's website.

Document History

Date of Change	Description
April 15, 2024	We revised the Article to show the addition of 4 HCPCS Level II codes to CWF category 58. We also revised the effective date and the web address of CR 13574.
March 21, 2024	Initial article released.

View the Medicare Learning Network® Content Disclaimer and Department of Health & Human Services Disclosure.

The Medicare Learning Network®, MLN Connects®, and MLN Matters® are registered trademarks of the U.S. Department of Health & Human Services (HHS).



