



## PROVIDER COMPLIANCE TIPS FOR TRACHEOSTOMY SUPPLIES



### UPDATES

- Replaced the earlier year's data with 2019
- Updated Background and Reasons for Denials
- Updated To Prevent Denials

### INTRODUCTION

This publication educates providers on coverage and proper billing for tracheostomy supplies and their associated accessories.

## PROVIDER TYPES AFFECTED

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Physicians and other practitioners who write prescriptions for tracheostomy supplies and Durable Medical Equipment (DME) Suppliers

## BACKGROUND

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The Medicare Fee-for-Service (FFS) improper payment rate for tracheostomy supplies for the 2019 reporting period was 50.5%, a projected improper payment amount of \$15.2 million.

Medicare covers tracheostomy supplies under the Prosthetic Benefit (Social Security Act §1861[s][8]). Medicare requires the reasonable and necessary requirements available in the related Local Coverage Determination entitled [Local Coverage Determination \(LCD\): Tracheostomy Care Supplies \(L33832\)](#) are met for a beneficiary's DME are eligible for coverage.

## REASONS FOR DENIAL

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For the 2019 reporting period, insufficient documentation accounted for 60.5% of improper payments for tracheostomy supplies. The type of error with the next highest improper payments for tracheostomy supplies in the 2019 reporting period was other (26.6%).

## TO PREVENT DENIALS

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To justify payment for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) items, Medicare requires that suppliers meet the following requirements:

- Prescription (orders).
- The supplier gets A Standard Written Order (SWO) before they submit a claim. Medicare will deny the claim as not reasonable and necessary, if the supplier does not get a completed SW before they bill for an item addressed in this policy.
- Medical Record Information (including continued need/use, if applicable).
- Correct Coding - Medicare considers an item or service correctly coded when it meets all the coding guidelines listed in CMS HCPCS guidelines, LCDs, LCD-related Policy Articles, or DME MAC articles. Medicare will deny claims that do not meet coding guidelines as not reasonable and necessary or incorrectly coded.
- Proof of Delivery (POD) - is a Supplier Standard and Medicare requires DMEPOS to maintain POD documentation in their files. Medicare contractors may ask for proof of delivery documentation, and health care professionals are required to make the documentation available. Medicare will deny services that do not have appropriate proof of delivery from the supplier as not reasonable and necessary.

Medicare covers a tracheostomy care or cleaning starter kit (A4625), following an open surgical tracheostomy. Beginning two weeks post-operatively, Medicare considers code A4625 to not be medically necessary, and if that code is billed, Medicare will deny it as not reasonable and necessary. The Usual Maximum Quantity of Supplies table appears in [LCD L33832](#). It lists the maximum number of items or units of service that are usually reasonable and necessary.

Medicare requires that suppliers not dispense a quantity of supplies exceeding a beneficiary's expected use. Medicare requires that suppliers stay attuned to changed or atypical use patterns by their clients. Medicare requires suppliers to verify with the ordering physicians the medical necessity of any changed or atypical use. Regardless of use, a supplier must not dispense more than a 1-month supply at a time for a beneficiary in a nursing facility and a 3-month supply for a beneficiary at home.

## Refill Requirements

For DMEPOS items supplied on a recurring basis, Medicare requires suppliers to contact the beneficiary or caregiver/designee before giving them a new supply of items. Suppliers must not deliver refills without a refill request from a beneficiary. Medicare will deny as not reasonable and necessary items delivered without a valid, documented refill request.

## RESOURCES

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- [2019 Medicare Fee-for-Service Supplemental Improper Payment Data](#)
- [Local Coverage Article: Tracheostomy Care Supplies - Policy Article \(A52492\)](#)
- [Local Coverage Determination \(LCD\): Tracheostomy Care Supplies \(L33832\)](#)

Contact your MAC for any updates or changes to the Policy Article (PA) and the LCD regarding policy and general documentation requirements.

Beneficiaries may visit [Medicare.gov](#) or contact Medicare at 800-MEDICARE or 800-633-4227 for specific questions about their billing, claims, medical records, or expenses.

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