



July Quarterly Update for 2022 Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Fee Schedule

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Related Change Request (CR) Number: 12772

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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 these changes:

- The July 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.

[Sections 1834\(a\), \(h\), and \(i\) of the Social Security Act](#) (the Act) require payment on a fee schedule basis for certain DMEPOS and surgical dressings by. Also, payment on a fee schedule basis is a regulatory requirement at [42 CFR 414.102](#) 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 that was decided 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.

Section 1834(a)(1)(F)(ii) of the Act mandates adjustments to the fee schedule amounts for DME items included in the CBP for payment of items in areas that aren't Competitive Bidding Areas (CBAs). [Section 1842\(s\)\(3\)\(B\)](#) of the Act provides authority for adjustments to fee schedule amounts for enteral nutrients, equipment, and supplies (enteral nutrition) based on information from the CBP. The methodologies for adjusting DMEPOS fee schedule amounts under this authority are established at 42 CFR 414.210(g).

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, respectively, require the following:

- For items and services subject to fee schedule adjustments provided in rural or non-contiguous areas, the fee schedule amounts will continue to be 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-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 associated with the address used for pricing a DMEPOS claim decides the rural fee schedule payment applicability for codes with rural and non-rural adjusted fee schedule amounts. The DMEPOS Rural ZIP Code file contains ZIP Codes designated as rural areas. ZIP Codes for non-continental Metropolitan Statistical Areas (MSAs) aren't included in the DMEPOS Rural ZIP Code file. We update the DMEPOS Rural ZIP Code file on a quarterly basis as necessary.

CR 12772 provides instructions for the July 2022 DMEPOS Rural ZIP Code file containing the Quarter 3, 2022 Rural ZIP Code changes. A July quarterly update to the 2022 DMEPOS and PEN fee schedule files isn't required.

CR 12772 provides updates only for the DMEPOS Rural ZIP Code file for Quarter 3, 2022. There are no updates to the DMEPOS fee schedule file or for the PEN fee schedule file for Quarter 3, 2022.

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

More Information

We issued [CR 12772](#) to your MAC as the official instruction for this change.

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

Document History

Date of Change	Description
June 9, 2022	Initial article released.

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