

Information and Updates from NSC

June 2019



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What's New

Competitive Bidding Round 2021

The Centers for Medicare & Medicaid Services (CMS) announced the bidding [timeline](#) with specific dates for the registration and bid window for the upcoming Round 2021. There are a few new product categories with this round, they include: off-the-shelf (OTS) back braces, OTS knee braces, and non-invasive ventilators. In addition to the new product categories, some items and services were moved to different product categories. Another key change for Round 2021 is the discontinuation of the National Mail Order Program (NMO). This is a result of Section 50414 of the BBA of 2018, which mandates several changes to the NMO program, and CMS is continually working on these required changes. For more information regarding the Competitive Bidding process or how you can participate, please view the details on CBIC [website](#).

Surety Bonds

Surety Bonds for Competitive Bidding

Bidders in Round 2021 of the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program are required, pursuant to [42 CFR §414.412\(g\)](#), to obtain a bid surety bond in the amount of \$50,000 for each competitive bidding area (CBA) for which they submit a bid. The bid surety bond(s) must be purchased from an authorized surety on the Department of the Treasury's List of Certified Companies. Bidders must provide proof of having obtained the required bid surety bond(s) by the close of the bid window, and should do so by uploading a copy of the bond(s) in Connexion, the program's secure portal.

It is important to understand that the surety bonds for Competitive Bidding are completely separate from the requirements of the NSC.

By way of history, CMS previously announced some DMEPOS suppliers will be subject to a surety bond requirement to obtain/maintain Medicare billing privileges (CMS- Final Rule 6006). In an attempt to keep the supplier community informed, CMS has released a series of frequently asked questions regarding the bonding requirement. This list will continually be updated as additional information becomes available. The complete list of FAQs can be accessed [here](#). Pursuant to 42 CFR § 424.57(d)(15)(i)(C) Physicians and non-physician practitioners as defined in section 1842(b)(18) of the Act are provided an exception to the surety bond requirement when items are furnished only to the physician or non-physician practitioner's own patients as part of his or her physician service.

To read more about the bid surety bond requirements for the DMEPOS Competitive Bidding program, please click [here](#).

Revalidation Reminders

- Check for your revalidation due date at CMS's [Medicare Revalidation List](#)
- Medicare Enrollment Fees are required for all submissions of revalidation applications.
- List the Provider Transaction Access Number (PTAN) for which you are revalidating in section 1B.

- Be certain that the revalidation letter you received pertains to your DMEPOS PTAN and not for a part B enrollment.
- List all authorized and delegated officials for the organization, as well as the managing employee for the location.
- Complete all sections of the application.

★ Supplier Standard Reminder ★

Standard #2: 42 CFR 424.57(c)(2) A supplier must provide complete and accurate information on the DMEPOS supplier application. Any changes to this information must be reported to the National Supplier Clearinghouse within 30 days. For review of the abbreviated supplier standards, click [here](#) or [here for Spanish](#), or the supplier standards in their entirety are listed in [42 C.F.R. 424.57\(c\)](#).

Reminders

Insurance

The number one reason NSC has to request development on an application is due to insurance. The NSC must be listed as a certificate holder on the certificate of insurance. All suppliers (including physicians) must provide General Liability insurance. An insurance binder is not acceptable proof of insurance. The Certificate of Insurance is acceptable showing information regarding the effective dates, amount of coverage, the locations covered, and list the NSC as the certificate holder.

Professional liability insurance or malpractice coverage is not the same as General Liability coverage. Physicians need to ensure when submitting the CMS 855s to attach proof of general liability insurance.

For those suppliers that have multiple locations; Supplier Standard #10: 42 CFR 424.57 (c)(10) states that ‘a supplier must have comprehensive liability insurance in the amount of at least \$300,000 that covers both the supplier’s place of business and all customers and employees of the supplier. If the supplier manufactures its own items, this insurance must also cover product liability and completed operations.’

If you have a policy that covers more than one location, be sure the policy states that it is a blanket policy which covers all locations under your Tax ID, or that it lists each separate location that is covered.

Surety Bond

If your surety bond with the NSC has lapsed, you are subject to revocation. The surety company sends the NSC notifications of lapses of coverage. It is your responsibility to ensure we have received any reinstatement correspondence. Please ensure your surety bond is current. If you have a new bond or your bond has been reinstated, please notify the NSC within 30 days of the bond issuance to avoid being revoked. You can easily submit the new bonds or reinstatements using the [NSC Web Form Submission](#) tool.

Did You Know?

NSC Application Status Tool

The Application Status Tool is available for you to check the status of your initial application, additional location, reactivation, revalidation, and change of information. Just click [here](#) to take a look.

PECOS

Increasingly, DMEPOS Suppliers are recognizing the benefits of using Internet-based PECOS (Provider Enrollment, Chain and Ownership System) to submit enrollment information to the National Supplier Clearinghouse. DMEPOS suppliers can use Internet-based PECOS to enroll, revalidate, make a change in their enrollment record, view their Medicare enrollment information on file with Medicare and check on the status of a Medicare enrollment application via the internet.

- Revalidations and changes of information are easier to complete because PECOS is pre-populated with the enrollment information already on file
- You can upload your supporting documentation and e-Sign via Internet-based PECOS making your submission completely electronic
- Submission through internet-based PECOS decreases development requests and requests for additional information for incomplete applications, ultimately accelerating the enrollment process
- Submitting information through Internet-based PECOS can significantly reduce the application completion time for you

Give Internet-based PECOS a try!

Log onto the CMS Website or Register to become a new user at: <https://pecos.cms.hhs.gov/pecos/login.do>

Go to our website for additional information and CMS Resources: <http://www.palmettogba.com/nsc> or

<https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/Index.html>

NSC Listserv

Are you reading this Newsletter by means of your email inbox? Or have you had to pull up NSC's website to obtain your copy?

Sign up for the **NSC Listserv** and get these benefits:

- Get notified of important updates for the NSC
- Have NSC newsletters delivered directly to your inbox
- Stay current on policies and procedures to maintain your active supplier status

You can sign up for the **NSC Listserv** at <https://www.palmettogba.com/listserv>.

EFT Agreements

- **Required** with initial application or new location application only – all EFT information can be submitted via PECOS with your application
- **Required:** voided check, preprinted deposit slip or confirmation of account information on bank letterhead
- Changes to your EFT information should be submitted directly to your DME MAC using the CMS Form 588
- CMS Form 588 can be located on [CMS Website](#)

Disclaimer: Though all publications are checked for accuracy, information is subject to change based on rules and regulations. ?s call NSC- 866-238-9652.