

Information and Updates from the NSC



October 2016

Surety Bonds for Suppliers of Durable Medical Equipment, Prosthetics, Orthotics and Supplies

The Centers for Medicare & Medicaid Services (CMS) requires DMEPOS suppliers to post a surety bond as a condition of new or continued Medicare enrollment. The regulation states that suppliers seeking to enroll or changing the ownership of a DMEPOS supplier must submit a \$50,000 surety bond for each assigned NPI for which the DMEPOS supplier is seeking to obtain Medicare billing privileges.

In addition, a DMEPOS supplier enrolling a new practice location must submit to the NSC a new surety bond or an amendment or rider to the existing bond, showing the new practice location is covered by an additional base surety bond of \$50,000. Suppliers who have certain adverse legal actions imposed against them in the past may be required to post a higher bond amount. The final regulations permit the NSC to require DMEPOS suppliers to obtain a base surety bond of \$50,000 and an elevated surety bond of \$50,000 for each occurrence of an adverse legal action within ten years preceding enrollment, revalidation, or reenrollment in the Medicare program.

The final regulations became effective March 3, 2009. Some companies or organizations that supply DMEPOS are exempt from the surety bond requirements. Such exemptions include:

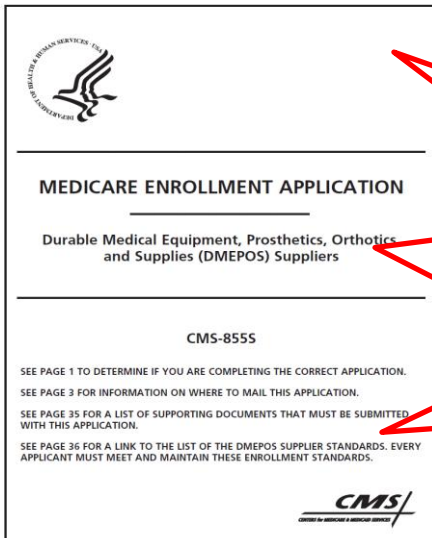
- Certain physician and non-physician practitioners
- Physical therapists
- Occupational therapists
- State-licensed orthotic and prosthetic personnel
- Government-owned suppliers

Please note that all pharmacies are required to submit a surety bond. Pharmacies are not exempt from the surety bond requirement. Keep in mind that surety bond companies notify the NSC when bonds cancel. This includes cancellations due to non-payment of premiums—sometimes up to 45 days before the payment is due. Avoid extra scrutiny and keep your bond up to date.

DMEPOS Enrollment Status Letter

DMEPOS suppliers may request enrollment status letters from the NSC Website. Simply, populate the designated field with the enrolled location's PTAN. A status letter, similar to the letter that was first issued when you enrolled in the program, will be mailed to the correspondence address on file with the NSC within one to two business days.

This option is only available to suppliers who have already been assigned a DMEPOS PTAN for the location for which you are requesting the letter. To gain access to the portal, go to the NSC website (www.palmettogba.com/nsc) and select 'DMEPOS Enrollment Status Letter' from the 'Forms/Tools' dropdown menu.



Coming Soon
Revised CMS-855S
05/16 Version

Beginning January 1, 2017, DMEPOS suppliers must use the revised CMS-855S application—05/16 Version. The revised application will be posted on the CMS Forms List by mid-fall (go.usa.gov/cuu5Y). The NSC will accept both the current and revised versions of the CMS-855S through December 31, 2016.



Ask Wendell

Q. Can I submit an attestation for a surety bond?

A. Attestation Agreements are available on the NSC Website but can only be submitted to attest the accreditation requirement by pharmacies that meet the criteria. There is no attestation option to circumvent the surety bond requirement if required by your supplier type.

Q. If I am exempt from accreditation, am I also exempt from the surety bond requirement?

A. Suppliers exempt from accreditation are not guaranteed to also be exempt from the surety bond requirement. Suppliers should refer to the federal regulations for specific information or see the exemptions chart housed on the NSC Website.

Pharmacy Attestation Information

Pharmacies that meet all of the criteria for an accreditation exemption may file an accreditation exemption statement. This enables the pharmacy to be enrolled as a Medicare durable medical equipment, orthotics, prosthetics and supplies (DMEPOS) supplier and supply DMEPOS items, without having accreditation that would otherwise be required. Pharmacies must complete and submit the attestation statement to the National Supplier Clearinghouse. Pharmacy suppliers should wait for a response from the NSC regarding submitted attestation agreements prior to allowing accreditation to lapse to verify the submitted information is acceptable and all criteria have been met.

For full exemption criteria along with the attestation statement, go to our [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.



www.PalmettoGBA.com/NSC