


Basics of Competitive Bidding, Supplier Standards and Facility Accreditation

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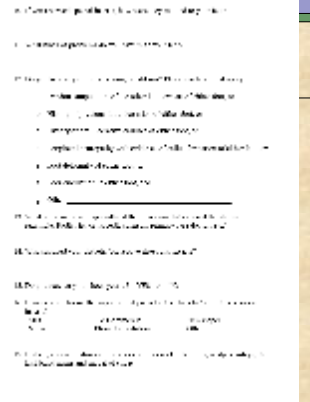
Introduction

- q Compliance Documentation
- q Quality Standards
- q Competitive Bidding
- q Facility Accreditation




Medicare Patient Survey

- “8. Did you receive diabetic or corrective shoes?”
- “9. Did you receive special inserts for those shoes?”
- “10. If you received special inserts, how were they molded to your feet?”



Medicare Patient Survey


- “11. What kinds of problems do you have with your feet?”
- “13. What is the name and specialty of the physician that ordered the shoes?”
- “16. How did you chose the supplier that provided the diabetic / corrective shoes and inserts?”



CERT Request for Medical Records

“Federally mandated program to monitor and improve the accuracy of Medicare payments”.

“Purpose of CERT is to determine the national, contractor specific service type and provider type paid claim error rates.”



CERT Request for Medical Records

- “CERT has randomly selected one or more of your claims for review”.
- “Failure to produce the information will result in the computation of an overpayment .”

**PLACE THIS SHEET IN FRONT OF THE RECORD
(No Fax Cover Sheet Needed)**

Medicare CERT Documentation Contract
CLASS 506-960191000 PSC C/CR/ET

Medicare/MEDIC Provider
 Report Date: 02/04/09
 Plan Contract Number: 1000191000000 Contract Type: D/AF/BC
 Provider Name: LINDA RUSSELL Contract Start Date: 07/10/04-12/31/04
 Contract Number #: 0001 CID Number: 00000
 Patient Name: SERVICIOS, MARIA

Letter Number: 0008
 Letter Date: 01/10/09

The document listed here is a copy of a prescription or order for a medical device. Please provide a copy of the original medical device documentation and follow the steps below to support the claim for the specified device of use.

Please attach the device of service label (Prescription or order) with this Agreement, or attach it to the device of service.

Please use both sides of each page and place 30 "x" or all over when using. Please send the original copy of this form to the Medicare contractor in the area of the provider's location. This form is available for use by the contractor only. It is not to be used for billing or for any other purpose. For more information, please contact your Medicare contractor at 1-800-540-8833 or visit the Medicare website at www.medicare.gov.

CERT Documentation Office
 APO: CID 429299
 9860 Interstate Pkwy, Suite 9
 Everett, WA 98201

CERT Request for Medical Records

- “Physician orders for dates of service billed. Prescription (diagnosis, physician signature, quantity)”.
- “Proof of delivery”

4. SUPPLIER AGREEMENTS WITH THE FEDERAL GOVERNMENT

The following information is required for the Medicare/MEDIC program. The information is required for the Medicare/MEDIC program to process claims for services provided by the supplier. The information is required for the Medicare/MEDIC program to process claims for services provided by the supplier.

1. The supplier must be a Medicare/MEDIC provider. The supplier must be a Medicare/MEDIC provider. The supplier must be a Medicare/MEDIC provider.

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What is a “Supplier”

“The footwear must be fitted and furnished by a podiatrist or other qualified individual such as a pedorthist, orthotist or prosthetist.”

Independent Contractor Consulting Agreement

Supplier Standard 4.
 A supplier must fill orders from its own inventory, or must contract with other companies for the purchase of items necessary to fill the order. A supplier may not contract with any entity that is currently excluded from the Medicare program, any State health care programs, or from any other Federal procurement or non-procurement programs.

Supplier Standard #6.
 A supplier must notify beneficiaries of warranty coverage and honor all warranties under applicable State law; and repair or replace free of charge Medicare covered items that are under warranty.

Billing Documentation

National Supplier Clearinghouse Billing Agreement

The following information is required for the Medicare/MEDIC program. The information is required for the Medicare/MEDIC program to process claims for services provided by the supplier. The information is required for the Medicare/MEDIC program to process claims for services provided by the supplier.

Patient Signs “Confirmation of Receipt and Supplier Standards”

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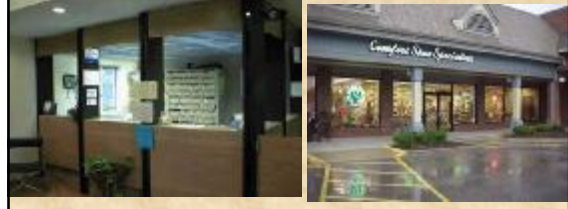
Certification of Patient Receipt

- Specific listing of items with model / manufacturer name
- State that products are “Not Substandard and in Good Working Order”
- Instructions for use
- Certification having reviewed 21Supplier Standards
- Warranty info

Facility Requirements

Supplier Standard #7

A supplier must maintain a physical facility on an appropriate site.



Facility Requirements



Supplier Standard #8.

A supplier must permit CMS (formerly HCFA), or its agents to conduct on-site inspections to ascertain the supplier's compliance with these standards. The supplier location must be accessible to beneficiaries during reasonable business hours, and must maintain a visible sign and posted hours of operation.

Facility Requirements

- **OIG Report, March 2007**
- <http://oig.hhs.gov/oei/reports/oei-04-05-00380.pdf>
- *Of 169 suppliers, 10 did not exist at their business address, yet they billed Medicare almost \$393,000 in two months studied.*
- *Of 169 suppliers, 6 were closed during posted business hours.*

Possible New Facility Requirements

- **Abt Associates Inc.**
- **DMEPOS Supplier Quality Standards**
- Delivery of quality services to beneficiaries. The supplier shall be responsible for delivering Medicare covered items to beneficiaries, and shall maintain proof of such delivery.
- The supplier shall maintain business hours at its location for beneficiaries for a minimum of 40 hours a week. These hours shall be posted at the business location.
- Suppliers shall have staff available for telephone customer service during posted business hours and after-hours emergency service;

Facility Requirements

Supplier Standard #9

A supplier must maintain a primary business telephone listed under the name of the business in a local directory or a toll free number available through directory assistance. The exclusive use of a beeper, answering machine or cell phone is prohibited.



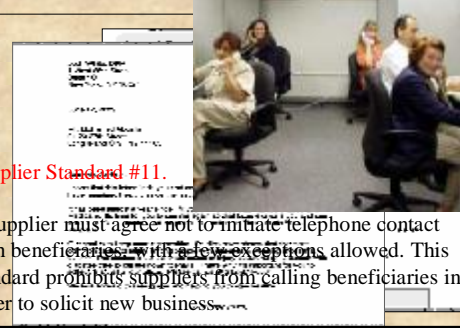
Facility Requirements



Supplier Standard #10

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.

Annual Recall



Supplier Standard #11.

A supplier must agree not to initiate telephone contact with beneficiaries with a few exceptions allowed. This standard prohibits suppliers from calling beneficiaries in order to solicit new business.

Documentation



Supplier Standard #12

A supplier is responsible for delivery and must instruct beneficiaries on use of Medicare covered items, and maintain proof of delivery.

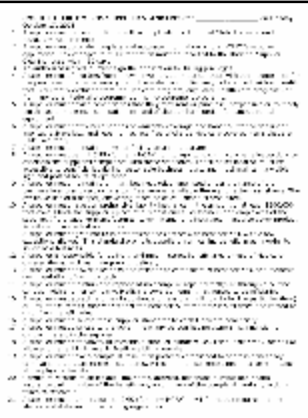
Documentation



Supplier Standard #15.

A supplier must accept returns of substandard (less than full quality for the particular item) or unsuitable items (inappropriate for the beneficiary at the time it was fitted and rented or sold) from beneficiaries.

Documentation



Supplier Standard #16

A supplier must disclose these supplier standards to each beneficiary to whom it supplies a Medicare-covered item.

Billing Documentation

Complaint Resolution Policy

Supplier Standard #19

A supplier must have a complaint resolution protocol established to address beneficiary complaints that relate to these standards.

COMPLAINT RESOLUTION POLICY	
1. The purpose of this policy is to provide a fair and equitable process for resolving complaints.	
2. This policy applies to all complaints received by the supplier.	
3. The supplier will investigate all complaints and provide a response within a reasonable time frame.	
4. The supplier will provide a written response to the complainant.	
5. The supplier will provide a copy of this policy to all beneficiaries.	

Billing Documentation

Supplier Standard #19

A record of these complaints must be maintained at the physical facility.

The Complaint Resolution Log is used by the patient to log complaints. In conjunction with the Complaint Resolution Form, it is used to ensure the resolution to a complaint is completed. This should be kept as a running log to summarize complaints at a glance. It is also a Medicare requirement that the physician record this information.

Billing Documentation

Compliant Resolution Form

Supplier Standard #20

Complaint records must include: the name, address, telephone number and health insurance claim number of the beneficiary, a summary of the complaint, and any actions taken to resolve it.

Competitive Bidding

- Charlotte-Gastonia-Concord, NC, SC
- Cincinnati-Middletown, OH, KY, IN
- Cleveland-Elyria-Mentor, OH
- Dallas-Ft. Worth-Arlington, TX
- Kansas City, MO-KS
- Miami-Ft. Lauderdale-Miami Beach, FL
- Orlando-Kissimmee, FL
- Pittsburg, PA
- San Juan-Caguas-Guaynabo, PR

Competitive Bidding

- Oxygen supplies and equipment
- Power wheelchairs and scooters
- Rehabilitative power wheelchairs
- Mail order diabetic supplies
- Enteral nutrients
- Respiratory assist devices
- Hospital beds
- Negative pressure wound therapy pumps
- Walkers

Competitive Bidding

- Therapeutic footwear, wound care products and custom AFOs are exempted from competitive bidding.
- The Medicare Modernization Act of 2003 (“MMA”) states that “off-the-shelf orthotics” may be included.
- As physicians, podiatrists are exempt from having to participate in competitive bidding. Must accept the determined price if and when off-the-shelf AFOs become part of the program.

Quality Standards

- New requirements are designed to elevate patient care and cut down on fraud and abuse.
- New standards include of current 21 plus several more
- Performance, management and Improvement
- Personnel Policy and Procedures Program
- Facility and Safety Management
- Business Services

Quality Standards

- I. Business Services
- II. General Product Specific Service Standards

Quality Standards

- I. Business Services
 - Administration
 - Financial
 - Human Resource
 - Consumer Services
 - Performance management
 - Product Safety
 - Information Management

Supplier Accreditation

- **ALL DMEPOS SUPPLIERS, including podiatrists and podiatrists must eventually become accredited if to participate in the Medicare program, even if they do not participate in competitive bidding.**
- **At present, only a small percentage of Medicare's DMEPOS suppliers are accredited.**

Facility Accreditation

- By September 30, 2010, all suppliers of DMEPOS, including podiatrists will be subject to mandatory accreditation.
- DPMs applying for DME supplier number must first obtain facility accreditation.

Quality Standards

- II. General Product Specific Service Standards
 - Preparation
 - Delivery and Set-up
 - Training / Instruction to Beneficiary and Caregiver
 - Follow-up

Facility Accreditation - Organizational Standards

- I. Physical location
- II. Mission statement
- III. Policy and procedures manual
- IV. Annually ensure that only qualified and professional staff provide services
- V. Annual employee reviews
- VI. New employee orientation
- VII. HIPPA compliance

Facility Accreditation - Organizational Standards

- VIII. Personnel assignments:
 - Claims submission
 - Patient billing
 - Audit
- IX. ADA compliance
- X. Accurate and complete financial reporting

Facility Accreditation - Patient Care & Management

- I. Confirm competency and training of staff.
- II. ADA compliance
- III. Methods of communication:
 - Staff and referring physicians
 - Document patient treatment history
 - Between management and staff
- IV. Perform clinical exam appropriate for podiatric services
- V. Maintain a fitting inventory adequate to provide effective patient care.

Facility Accreditation - Patient Care & Management

- VI. Consistent process for patient care, including follow up among patients and multiple facilities
- VII. Patient care supervised by credential and/or licensed professional
- VIII. Refer patient back to referrer if needs exceed capability of qualified provider.
- IV. Have emergency services plan including training in first aid and CPR.

Facility Accreditation - Patient Care & Management

- X. Document correspondence with referral sources
- XI. Pedorthic care requires prescription
- XII. Establish patient goals and expectations
- XIII. Maintain ready access of patient records
- XIV. Supplier checks dispensed devices for structural integrity
- XV. Supplier will follow-up any patient accident in which the pedorthic treatment may have contributed.

Facility Accreditation - Patient Care & Management

- XVI. Patient confidentiality will be maintained
- XVII. Patients will be informed of after hours and emergency care.
- XVIII. Organization will conduct annual patient satisfaction surveys
- IXX. Provider will offer beneficiary training and instruction.
- XX. Follow up care and instructions will be documented in the patient record.

Facility Accreditation - Performance Management & Improvement

- I. Have an objective program to monitor and improve patient care.
- II. Establish and utilize key indicators of patient care (i.e. shoe return rate).
- III. Create key indicators of patient satisfaction, shoe fit and function.
- IV. Establish indicators that reflect opportunities to improve patient care and to pursue opportunities to improve beneficiary access to equipment, access, services and information.

Facility Accreditation - *Performance Management and Improvement*

- V. Identify frequency and incidence of billing errors.
- VI. Identify frequency and incidence of adverse events to beneficiaries secondary to equipment malfunctions.
- VII. Identify trends based on key indicators that can be used to improve quality of patient care.
- VIII. Prioritize multiple opportunities to improve care present.
- IX. Have annual reappraisal of program guides.

Facility Accreditation - *Facility and Safety Management*

- I. Comply with state and local fire codes and occupancy classifications.
- II. Facility must be adequate both to accommodate patients and to perform podiatric services.
- III. Designate a full time person to be responsible for a safety management program.
- IV. Establish a program to deal with natural disasters.
- V. Have a program for fire safety.

Facility Accreditation - *Facility and Safety Management*

- VI. Have a program to regulate smoking
- VII. Have a program to comply with OSHA regulations.
- III. Have a program for hazardous waste disposal.
- IV. Maintenance program for all equipment

Facility Accreditation - *Supplier Compliance*

- I. Have a "Personnel Policy and Procedures Program"
- II. A full time person must be designated to ensure compliance with the "Personnel Policy and Procedures Program".
- III. Have annual training session to review compliance program

Documentation Summary, Office

- Complaint Resolution Policy, Forms, Log
- Supplier Standards
- Warrantee Info
- Posted hours



Steps to Facility Accreditation

- Prepare: Customized facility accreditation manual
- Accreditation from 1 of 10 Accrediting Organizations
- Maintain "Performance Management and Improvement on ongoing basis.

Summary

- Competitive Bidding: Items typically provided by pedorthists/podiatrists are not currently covered.
- By September 30, 2010, all suppliers of DMEPOS, including podiatrists will be subject to mandatory accreditation.
- DPMs applying for DME supplier number must first obtain facility accreditation.



Thank You!