



LEGISLATIVE UPDATE September 15, 2009

DMEPOS Surety Bond and Accreditation Requirement for Medicare Billing Privileges

Per final regulations implemented by CMS, DMEPOS suppliers will be required to become **accredited** to obtain and maintain Medicare billing privileges by October 1st of this year, others may be required to post a **surety bond** by October 2nd to secure Medicare billing privileges and most will be required to provide both.

Frank Whelan, the CMS agency administrator for the new requirements, informed the Opticians Association of America on September 9, 2009 that **opticians are not exempt from the Medicare suppliers' surety bond requirement** due Oct. 1st for DMEPOS. However, opticians are exempt from accreditation.

What you need to do if you are in the process of being accredited or obtaining a surety bond:

The Centers for Medicare & Medicaid Services (CMS) encourages all DMEPOS suppliers currently in the midst of the accreditation process to correct all outstanding deficiencies on your accreditation report, so that a site visit or accreditation decision can be rendered by the October 1, 2009 deadline. CMS also encourages all DMEPOS suppliers, subject to the bonding requirements, to obtain a surety bond.

While the DMEPOS Accrediting Organization will notify the National Supplier Clearinghouse (NSC) that you are accredited, you will need to notify the NSC that you have obtained your surety bond. When submitting your DMEPOS surety bond to the NSC, you should submit sections 1, 2A1, 12, and either 15 (if you are the authorized official) or 16 (if you are the delegated official) of the Medicare enrollment application (CMS-855S). By submitting the required sections of the CMS-855S, you will help to ensure that NSC is able to correctly associate your DMEPOS surety bond to your enrollment record.

Additional Information

For additional information regarding DMEPOS accreditation or the provisions associated with a surety bond, go to www.cms.hhs.gov/MedicareProviderSupEnroll. Frequently Asked Questions (FAQs) on the surety bond requirement can be found on the NSC's FAQ page at www.palmettogba.com/nsc.