

CIGNA

**Moderator: Max Garner
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Operator: Good day everyone and welcome to today's CIGNA Ask the Contractor call. Today's call is being recorded.

At this time, I'd like to turn the conference over to Max Garner. Please go ahead, sir.

Max Garner: Thank you, Patrick. Good afternoon everyone and welcome to today's Specialty Ask the Contractor Teleconference, which will focus on the National Supplier Clearinghouse, or the NSC, and their related topics.

I'm Max Garner, with Provider Outreach and Education for Jurisdiction C DME MAC CIGNA Government Services. I'm pleased to be joined by Dante Thomas, also with CIGNA Government Services Provider Outreach and Education.

Dante Thomas: Hello.

Max Garner: That was Dante. We have – we also have on the line the NSC Provider Outreach and Education representative, please welcome Erika Williams.

Erika Williams: Hello.

Max Garner: Thank you, Erika. And again, we do thank you for joining us today.

Erika Williams: A pleasure.

Max Garner: I would also like to thank the suppliers for your participation in today's call. We do value your attendance, your questions and your feedback because it helps us to identify issues that are important to you so that we may better meet your needs. And at the end of my brief presentation, we will open the line to take your questions. Please keep in mind that we will not be able to answer questions about the individual claim issue. Please contact the Provider Contact Center at 866-270-4909 to resolve those questions.

Now, as I previously stated, our focus today is on the National Supplier Clearinghouse and their – I guess their most recent topics that have come up. Specifically, we will discuss competitive bidding, accreditation information and potential surety bond requirement.

So first let me highlight some reminders regarding the competitive bidding program and its current status. The Medicare Modernization Act or MMA of 2003 established requirements for a new competitive bidding program for certain durable medical equipment or DME. The MMA requires that competitive bid payment amounts replace the current fee schedule amounts for selected items in selected areas. And the competitive bid payment amounts are determined by using bids submitted by DME suppliers, which is who is on the call today.

And lastly, the intent of the competitive bidding program is to set more appropriate payment amounts for DME items, which will cut expenses for the beneficiary, the taxpayer and of course the Medicare program. CMS will restart the bidding competition later this year and currently beneficiaries may use any Medicare-enrolled supplier that they wish.

Now the same product categories included in the previous round of bidding are included in this year's Round 1 re-bid. And those categories are – just to run through them for you – Oxygen and Supplies and Equipment, Standard Power Wheelchairs and Scooters, Mail-Order Diabetic Supplies, Enteral Nutrition, CPAPs and RADs, Hospital Beds, Walkers and Support Surfaces.

There are a couple of exceptions with this round. The negative pressure wound therapy and certain complex rehab wheelchairs will not be included in this round of bidding. You can find more information regarding the pricing, coding and modifiers, also categories in the MLN Matters Article 6270, which you can search for on the CMS Web site at cms.hhs.gov.

And as you're planning to bid for a contract, we want you to make sure your NSC files are up to date, obtain other required state and federal licenses, familiarize yourself with the bidding rules, and, of course, we recommend going to the dmecompetitivebid.com Web site to learn more about the program and register to receive the competitive bid e-mail updates. Again that Web site is www.dmecompetitivebid.com.

Now, arguably the most important aspect of competitive bidding is the accreditation requirement, which actually applies to all DME suppliers whether you're a contract supplier, a non-contract supplier, or a subcontractor. And this is whether you're submitting a bid or not. Of course, there are exceptions. Certain eligible professionals are exempt from the accreditation requirement. It is a long list but I will run through them for you that does include physicians, physical and occupational therapists, qualified speech and language pathologists, physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, certified nurse midwife, clinical social workers, clinical psychologists, registered dietitians and nutritional professionals, orthotists, prosthetists, opticians, audiologist, and lastly pharmacists who only provide Medicare-covered drugs. If those pharmacists provide diabetic supplies for example, they are not exempt from the accreditation requirement.

The NSC has provided the Supplier Standard to include new requirements pertaining to the accreditation requirement. You must be accredited in order to retain your supplier billing number. You must inform your accrediting organization when a new location is opened. All locations must meet the quality standards and be separately accredited. And lastly, you must disclose upon enrollment, all products and services, including the addition of new product lines for which you're seeking accreditation.

The accreditation deadline is October 1st of this year, 2009. In order to meet this deadline, CMS has encouraged all suppliers to submit a complete accreditation application to an approved accreditation organization as soon as possible. For more information regarding the accreditation requirements and/or process, please visit the CMS Web site, which is again, www.cms.hhs.gov.

Now, the newest piece of information we will discuss today is the surety bond requirement. For those of you who don't know, on December 29, 2008, CMS announced regulations requiring suppliers of certain DME to post a surety bond as a condition of new or continued Medicare enrollment. The regulations state that beginning May 4 of 2009 suppliers seeking to enroll or change the ownership of their company must submit a \$50,000 surety bond for each assigned NPI.

Now, existing suppliers must submit to the NSC a \$50,000 surety bond for each assigned NPI no later than October 2, 2009. In addition, a supplier enrolling a new practice location must submit to the NSC a new surety bond or an amendment or rider to an existing bond showing the new practice location as covered by an additional base surety bond of \$50,000.

Also, suppliers who have certain adverse legal actions imposed against them in the past maybe required to post a higher bond amount. The final regulations permit the NSC to require suppliers to obtain a base surety bond of \$50,000 and an elevated surety of \$50,000 for each occurrence

of an adverse legal action within the last 10 years preceding enrollment, revalidation or re-enrollment in the Medicare program.

And the final regulations are effective March 3 of 2009 and some companies or organizations are exempt from the surety bond requirement. Such exemptions include certain physician and non-physician practitioners, physical therapist, occupational therapist, state licensed orthotic and prosthetic personnel, and lastly government-owned suppliers.

One additional note, the NSC is still awaiting final notice from CMS regarding how to proceed with this requirement but we will try to address questions the best we can. Now we do know that I believe the legislation has been put on hold at this time but again we have not received further information on CMS on that regard. But we will again try to answer your questions the best we can.

Now, before we move on to the question and answer portion of today's call, I would first like to update you on upcoming education from your Provider Outreach and Education team with CIGNA Government Services. Some of our upcoming events include the Medicare survival guide workshops in Savannah, Georgia, San Antonio, Texas, Orlando and Jacksonville, Florida, and of course Medtrade Spring in Las Vegas, Nevada.

We're also adding additional webinars to our calendar which will allow more providers to attend our online education event. This month, for example, we are offering webinars on diabetic shoes, hospital beds, prosthetics and orthotics, Medicare 101 and 102, respiratory assist devices, re-openings and appeals, and advance beneficiary notices.

Now all of these courses – all of these online education courses will be encore multiple times so stay tuned for our ListServ messages for announcements on this and other upcoming events.

We'd also like to thank you for increasing registration in our ListServ. If you or your staff are not registered for the ListServ, we encourage you to do so today. The ListServ will provide you with immediate updates on all DME and Medicare information including Medicare publications, important dates, workshops, webinars, and medical review information.

And so now we're going to open the line for the question and answer portion of today's call. And as a reminder, we will not be able to answer questions pertaining to individual claim issue. Again, if you have issues regarding individual claims, please call the Provider Contact Center at 866-270-4909 to resolve those questions.

Also, please limit your questions to one per caller so that we may address as many callers as possible. And so, Patrick, if you want to go ahead and prepare the lines, we'll go ahead and start taking questions.

Operator: Yes, sir. At this time if you would like to ask a question, please press star 1 on your telephone.

Also, please deactivate your any mute function before signaling to ensure your signal can reach our equipment. Once again, please press star 1. And we do have several questions in the queue. A voice prompt on your phone line will indicate when your line is open and we do ask that you please state your name before posing your question.

We'll take our first question now.

(Clair Dollinger): Hi, my name is (Clair Dollinger), how are you all doing?

Max Garner: I'm doing well, how are you? And I'm sorry, what was your name?

(Clair Dollinger): (Clair).

Max Garner: Thank you, (Clair).

(Clair Dollinger): OK. This question is for Erika.

Erika Williams: Yes.

(Clair Dollinger): I assist various physicians across the country getting their DME supplier number.

Erika Williams: OK.

(Clair Dollinger): And if they have a tax ID number, am I correct in telling them they have to get an organizational number linked to that in order to receive reimbursements?

Erika Williams: When you say an organizational number, were you asking do they have to have a Medicare supplier number, a PTAN?

(Clair Dollinger): No. Well, we're applying for a DME provider number and they have an individual NPI number but now I'm telling them they have to create an organizational NPI number to make sure they get reimbursed to attach to that tax ID number.

Erika Williams: OK. Now, this maybe something that both Max and I may need to tackle from the reimbursement aspect because suppliers can actually use their social security number if they register or a completely 855S application as a sole proprietor with the NSC and register with a social security number and they may therefore have an NPI as an individual as opposed to an organization and they will still be allowed a Medicare supplier number.

Now, in so much as once you are a corporation how will that affects your reimbursement I mean as long as your NPI is matched as far as with your – if you have a tax ID number you know or a

social security number as long as across the board that it will crosswalk correctly, if you are linked with your social security number as an individual with your NPI then you shouldn't have a problem.

The issue comes about when you start to have a TIN maybe register with a TIN for your – with NPPES for your NPI but you are a sole proprietor using your SSN with the NSC. Because we transfer all of the information to the DME MAC so therefore CIGNA and that's when you have cross-walking issues interfere with your billing and reimbursement.

(Clair Dollinger): Right. So in other words if we're using the tax ID number, they have to create an organizational NPI number. Is that correct?

Erika Williams: As far as the requirement – that's what I'm saying, as far as the requirements for the NPI that is beyond the scope. What we would actually look at is the information that you would provide to the NSC, this verification of your NPI and then because we do not actually use your NPI number to give you a PTAN or supplier number, we use what you give to us but NPPES will report that information to the DME MAC so they have to get an information as well. That's going to be the problem with your reimbursement if it's not cross-walking correctly. So that's beyond my scope to tell you you have to have an organizational NPI number.

Max Garner: (Clair), what we want to make sure of is you can actually contact the customer – the Provider Contact Center and they can let you know whether your NPI and your PTAN are crosswalked and if that is affecting your client payments. Because if they are not, you actually should be receiving claim rejection, am I right, Dante?

Dante Thomas: That is correct. And actually I'd like to add on to that. The key to it we really don't regulate how you do it. The key is just making sure the information that you have on file with the National Supplier Clearinghouse matches what you have on file with the National Plan & Provider

Enumeration System or NPPEs. So as long as the information on file was both of those entities matched you should not have issues with claim payments. Did that help, (Clair)?

Operator: We'll take our next question.

Max Garner: Thank you, (Clair). And thank you, Erika, for answering that question as well.

Erika Williams: No problem.

Max Garner: I think we have a caller on the line with a question. Hello?

(Stacy): Yes. My name is (Stacy). My question has to do with the accreditation. We are a prosthetic and orthotic company and you said that we you know right now don't have to do the accreditation. Do you know when the deadline for us is?

Erika Williams: In so much as it's a temporary exemption that CMS has offered to certain type of – certain supplier types, CMS has not issued any further instructions as far as when you maybe required but right now you would not have to meet that October 1, 2009 deadline to maintain or obtain your Medicare billing privileges.

(Stacy): OK. All right. Thank you.

Erika Williams: You're very welcome.

Operator: We'll take our next question now.

Max Garner: OK. Go ahead with your question.

Debbie Chambers: Hi, this is Debbie Chambers from Pressure Management Resources and our question has to do with the clients that we had – the TrustSolutions that changed over to the Health Integrity Unit. We were told we needed to contact CIGNA to check on status of those but then the Customer Service is telling us to contact the Health Integrity Unit. And we're getting the runaround going back and forth of who we need to contact about that. Can you all help us out on that?

Dante Thomas: Is this related to your supplier number or your National Supplier – is this related to your PTAN? Debbie, are you there?

Debbie Chambers: Yes, I'm here. It's not related to that.

Dante Thomas: OK. We are going to have to – we're not able to address that on this call we're limiting questions specific to the National Supplier Clearinghouse on this call. Actually as it relates to claims, if it is a claim that was transferred – if for some reason TrustSolutions or the program safeguard contractor has requested documentation from you and you have turned that information in, if the Customer Service Representatives – if the claim is still pending based on that, we are awaiting further clarification from the program safeguard contractor or in the event if you happen to be providing services in an area that has transferred to the ZPIC they are in the process of transferring a lot of that work over to the ZPIC. So if it is caught in limbo, it will be completed based on when the documentation was received by the appropriate entity. But we will receive – you will receive document – additional information on that once it's completed.

Debbie Chambers: Thank you.

Dante Thomas: But we're not able to provide status...

Debbie Chambers: OK.

Dante Thomas: ...at this time on the call.

Operator: We'll take our next question now.

Max Garner: Thank you, Debbie.

(Avril Davis): Good afternoon.

Max Garner: Hi, good afternoon.

(Avril Davis): My name is (Avril Davis) and I'm calling you from St. Thomas in the Virgin Islands. And my question is concerning accreditation. At this time, our organization is very small. We serve a population between three to four islands of less than 100,000 patients. And we are unable to participate in the accreditation process. However, we want to know if we are already in the 13th month rental period for CPAP and RAD equipment, is Medicare going to make some sort of a provision for allowing the providers to get through like the last whatever 3 or 4 months of that rental period like being able to submit claims of non-participating in behalf of the beneficiaries or anything?

Erika Williams: OK. What was your name again?

(Avril Davis): (Avril Davis).

Erika Williams: OK. (Avril), that is a very good question. And as we approach the accreditation deadline or get a little bit closer towards it, I'm sure that CMS will issue something so that we can share with the suppliers, put that out on the Web site, put out on a ListServ message and just make suppliers aware with situations like this because that is an excellent question.

Unfortunately, I do not have a direct response that I can share with that but I'm certain that they will have to develop some sort of messaging or an allowance if you will so that – to allow those beneficiaries to kind of fall or the suppliers rather who fall within that period – that little period to be able to service those suppliers so if they will have to transfer to another supplier I'm not really certain at this time.

(Avril Davis): OK. Well thank you.

Erika Williams: That was an excellent and I am writing that question down so that we can address that.

(Avril Davis): OK.

Erika Williams: As quickly as possible.

(Avril Davis): Thank you.

Erika Williams: Thank you.

Max Garner: Thank you, (Avril). And thank you, again, Erika.

Operator: So we'll go to our next question now.

(Rosario Carosano): Hi, my name is (Rosario Carosano). I'm calling from Miami. And I got into the teleconference a little bit late and I just wanted to verify that orthotics and prosthetics are exempted from accreditation and the \$50,000 bond?

Erika Williams: You said orthotics and prosthetics?

(Rosario Carosano): Orthotics and prosthetics, yes, we have an orthotics and prosthetics facility.

Erika Williams: As of now, a supplier asked earlier about O&P that is correct. You are temporarily exempt – CMS has temporarily exempted O&P from the accreditation standards and thus the surety bond. State-licensed orthotic and prosthetic personnel are also exempt from surety bonds but I will note that this is a temporary exemption. Although CMS has not issued any further direction or instructions as far as the length of time ...

(Rosario Carosano): Right.

Erika Williams: ... as far as the exemption, it is temporary.

(Rosario Carosano): OK. Well, thank you so much.

Max Garner: Thank you very much.

Erika Williams: Not a problem.

Operator: We'll take our next question.

Female: You answered my question with the last call. Thank you so much.

Max Garner: Excellent. Thank you.

Operator: We'll go to our next question.

Max Garner: And, operator, can you do remind them how come out of queue if their question has already been answered?

Operator: Yes. Star 2 if you wish to be remove yourself from the queue and we'll take our next question. Your line is open ma'am.

(Patty): Hello? Hi, my name is (Patty). I'm calling from Orlando, Florida. And I have a question about the surety bond.

Max Garner: OK.

(Patty): For many years we've been required for Florida Medicaid to have a \$50,000 surety bond. Can we use the same one or are we going to have to get yet an additional \$50,000 bond?

Erika Williams: OK, (Patty)?

(Patty): Yes.

Erika Williams: OK. That is a good question as well. CMS – we are still waiting further instructions from CMS as far as how to go forward with the implementation. On the initial piece of legislature, it said that this would come into effect as of March 3. But as of January 20, the White House issued an executive order that every pending piece of legislature – every pending piece of legislature with the new administration, they're reviewing it to determine all the parameters.

So we are uncertain as far as how we would have to move forward with the surety bond and I'm so sorry that it kind of – that is kind of in limbo, if you will. They have not – CMS has not provided the National Supplier Clearinghouse with really any concrete message to go about with the surety bond and they didn't tell us just in the initial information that we received we know that the

suppliers would require \$50,000 on surety bond. They did not specify if it would be acceptable if there's a surety bond for another government program or not.

(Patty): OK. Someone had told me and I think it began that Florida is unusual in the fact that we're the only state I think that have required that. So that's why I just wanted to I guess let you guys know that we're you know that we're out there and I don't know if you'd heard of that or gotten these questions yet. So ...

Erika Williams: OK.

(Patty): ... hopefully that will be thought of when you guys or when the final ...

Erika Williams: Duly noted and jotted down.

(Patty): Great. Thank you.

Max Garner: Excellent question, (Patty). Thank you.

Erika Williams: Great one.

(Patty): Thank you.

Max Garner: And Patrick, I think you were trying to remind them how to get out of the queue if they already have their question answered.

Operator: Yes. Star 2 if you wish to withdraw your question, star 2 to withdraw. (You know) I think we have about seven more questions in the queue. We'll take our next question now.

(Luwina): Hi, this is (Luwina). I want to ask a question on the surety bond also.

Max Garner: OK.

(Luwina): Our pharmacy only provides prescription drugs and it's not really providing any DMEs. I know that we are exempt from accreditation, are we also exempt from providing the \$50,000 surety bond?

Erika Williams: On the initial piece of legislation that we received, it was physician and non-physician – let's see it's certain physician and non-physician practitioners but it did not specify as far as pharmacy personnel. So we would need further clarity from CMS to determine if pharmacists would be included in the certain non-physician practitioners. Because the only other ones that are stated are government-owned suppliers, O&P personnel, occupational therapist and physical therapist. So pharmacists are not individually listed and usually with that if you're not individually listed it would mean that you would be required to do so. But because they say a "non-physician" practitioners we would need further clarity to determine.

(Luwina): And so how should we – how should we approach with this, do we just wait until clarification before we proceed to try to get this surety bond?

Erika Williams: You know well I would I guess just at this point to at least start some preliminary research as you're uncertain if you would be required to get it or not. And we're still – you know we're really uncertain as far as this will actually – this legislation – if they will be fully implemented at this point. But I think it would be wise to just go ahead and start doing some preliminary research so that in the event it does come into effect that you're not just starting from scratch.

But as soon as – I'm going to take these questions back and see if I can get at least some of these preliminary answers from CMS. And with that, I will send out a ListServ message and also

post something on the NSC Web site. And with that I do want to put a quick plug in for the ListServ. Any suppliers who are actually on the line, I'm encouraging you to go to the NSC Web site, which is palmetto – wait a minute I cannot think of the – palmettogba.com/nsc to log on to our ListServ so that you can get immediate updates for you know any information that the NSC puts out so that you have an opportunity to get that as soon as it comes out.

So I will encourage you with the ListServ message but as soon as I find – all of these questions that I'm really uncertain about, when I get answers to them I will come out a ListServ message addressing them.

(Luwina): OK. And in the event that we are required to provide the \$50,000 surety bond that would only be – that (we're referred as) the entity, right? So we (refer) pharmacy, right, not the number of pharmacists that are in there?

Erika Williams: It will be – part of the location, you're correct, not the individuals but the locations themselves.

(Luwina): OK. Thank you very much.

Max Garner: Thank you for your question.

Erika Williams: My pleasure.

Max Garner: And Erika, excellent plug by the way.

Erika Williams: Yay!

Max Garner: We'll go ahead and take our next question, Patrick.

Operator: We'll take the next question now.

(Gwen): Hi, my name is (Gwen). And I have a question for Erika.

Erika Williams: Yes.

(Gwen): We were contacting Noridian in reference to some claims and they indicated to us that they could not release any claim information to us because our NPI information was not on file with them. And I'm not sure what that means because I was under the assumption that all of the information would be – that they would need would be coming from the NSC.

Erika Williams: OK. (Gwen) that is some – very I guess what, very claim specific and not really anything with the accreditation piece of the topic for the phone today but I will say that we – once the application is actually processed with the NSC we do transfer all of our information to the respective DME MAC so your billing jurisdictions. But I'm really not certain because if your NPI is incorrect we would – we should have been using what was given to us.

(Gwen): Correct.

Erika Williams: Let me – you should call NSC Customer Service to verify, make sure an authorized official from your company – that's going to be a CEO, CFO, owner, director or partner actually calls Customer Service to find out you know what's listed on your files. That number is...

(Gwen): OK. And I do have the number, Erika. I asked this question because you said we should have all of our information correct with the NSC, which we do and I'm responsible for doing that.

Erika Williams: OK.

(Gwen): So I did not understand why Noridian would give that response.

Max Garner: It sounds like Noridian may have invalid cross-over information kind of like we may have happen in this office. Have you tried contacting Noridian about that issue?

(Gwen): We have. And unfortunately we haven't been able to get through at this point. But I thought I'd ask since I did have someone from the NSC because all of our data is maintained at the NSC.

Erika Williams: Sure.

(Gwen): OK.

Erika Williams: And that's why I would encourage you, as Max stated, to either – well you may need to contact both Noridian and NSC just to double check what you have on your file and I do not have the system in front of me that I can actually look up and see what's on your file.

(Gwen): Oh, that's OK. I just – it just didn't sound right to me that if there's something that's incorrect in NSC record then I don't know about it.

Erika Williams: And it could be a transfer of information from the NSC to Noridian. And it could be something that did not transfer correctly I think Max kind of alluded to that earlier. So I think it would be great if you follow it up with the NSC Customer Service and then the Customer Service to Noridian just to determine where the error lies.

(Gwen): OK. Thank you.

Erika Williams: You're very welcome.

Max Garner: Thank you, (Gwen) and thank you, Erika. Patrick, our next question.

Operator: Caller, your line is open.

Male: Yes.

Max Garner: Yes, sir.

Male: Just wondering if you have a definition of locations for accreditation purposes?

Max Garner: A definition of location would be physical locations.

Male: Is that – is it just a physical location? Why I'm asking is we have an outside sales force.

Erika Williams: OK. Well, how it would be defining location you would review the 25 Supplier Standards and you would want to make sure that each one of those locations – the place where you would be distributing or servicing Medicare beneficiaries and it would meet all of those 25 standards.

Male: OK.

Erika Williams: Meaning that you know with the proper signage and the handicap accessibility, everything that's outlined in the 25 standards. That's basically how Medicare defines a location for purposes of Medicare billing privileges.

Male: OK. Ours are just spent at a doctor's office. So that's why I was asking that is our outside sales force meets with patients in a doctor's office.

Erika Williams: So you are – OK, how did they – did they contact you if they have an issue or if they're dissatisfied or they need to file a complaint and did they contact the doctor's office or the do they contact ...

Male: Yes. They could do both. They're informed on how to contact us. You know we have a customer service department everything and we would meet with them again if it needs to be – something that needs us – if we need to go out and meet with them, we'd meet them again in the doctor's office.

Erika Williams: OK. And how do you – do you have like Medicare billing privileges?

Male: Yes.

Erika Williams: So you do have a location?

Male: Oh yes.

Erika Williams: OK. And so your question is, would you have to have – I mean I'm trying to understand your question because you ((inaudible)) of doctors' offices, you're wondering if you need to be – each doctor's office that you go to has to be accredited or you need an accreditation for each of those. I'm trying to (wrap) my brain around your question.

Male: Yes that's – you just hit it (on the lines) – we're wondering about those doctors' offices.

Erika Williams: Are the doctors' offices – currently, do they have DME you know do they have Medicare billing privileges and they are already billing for their DME?

Male: I don't know if they bill for DME. We're providing DME to patients but I don't know if they provide additional DME. I'm sure they have Medicare billing privileges but I don't know about the DME aspect of it.

Erika Williams: So you kind of have like the closet – what is it, not consignment closet but ...

Male: No. We do not do that. We actually meet with the patient there at the doctor's office and provide the product then to the patient there. We don't – we don't consign or anything like that in the doctor's office.

Erika Williams: OK. What I want to do is get you information and I'll call you directly because it sounds like you have several different things going and I want to double check on some things before I can give you further instructions. Is that OK?

Male: Sure. What's your number? How about if I call you?

Erika Williams: I would prefer just to give you a call directly. Is that OK?

Male: Yes.

Erika Williams: What's your name again?

Male: Patrick.

Erika Williams: Patrick.

Male: 866...

Erika Williams: Actually, if you can hold on to the end of the call and that maybe best for all parties involved.

Male: OK. Thank you.

(Filly): I have one more question. This is (Dr. Filly). I want to ask about physician exemption. What does that really mean? When is it – when is the case that physicians are not exempt?

Erika Williams: As far as surety bonds, accreditation, just in general...

(Filly): Yes. Like the orthotists and prosthetists are exempt provided they don't sell other DME equipment and then if they have the DME equipment they sell, they're not exempt as I understand it. But with physicians, they may sell DME equipment out of their office provided to their patients. And I guess I'm understanding that they're still exempt even if they do that but if they sell DME equipment out of their office outside of their practice to patients that are not necessarily theirs in their office then I would think that that would not allow them to be exempt anymore.

Erika Williams: The thing is with physicians it kind runs the gamut of the services that are provided and you know in everything all of the information that we have we know that when with specialist we can kind of hone on them a little closer as far as if they provide services beyond their scope then they would have to be accredited like you were saying earlier about. It is up for general DME, the thing just kind of go beyond their specialty.

With the physician because if we're saying the physician, it really doesn't give us any specific information about what if a physician actually is providing DME because otherwise what type of services would a physician you know if this is – if a physician has a PTAN specific going to the DMEPOS portion of Medicare then it would be DME that they would be providing for the beneficiary because you know DME falls. So you know otherwise if you Medicare part – you

know General Part B as opposed to going through having a PTAN to the DME portion. So therefore I'm saying that with the physician there are no – I don't want to say there are no boundaries but if the physician is doing DME then they are exempt.

Max Garner: Erika, I'm sorry, if you're going to go ahead and contact them after the call, I'd like to move on to the next question, if that's OK.

Erika Williams: OK.

Max Garner: And then at the end of the call we'll get Patrick and (Dr. Filly), I believe you said it was, back on the line to share their contact information.

Erika Williams: Are they from the same company that was...

(Filly): Yes.

Erika Williams: OK.

Max Garner: (Patrick,) our operator, is there a way to pull them back – back up at the end of the call?

Operator: Yes, once the conference ends, I'll transfer them in with you so you can...

Max Garner: OK. That will work. Thank you. And we'll go ahead and take our next question.

Erika Williams: Thank you, Max.

Max Garner: Thank you.

Operator: And our next line is open.

(Jerry): Yes, my name is (Jerry) and my question is what vehicle does CMS have in place for notifying the DMEs of the surety bond requirement? We're a distributor and less than of 1/2 of 1% of all of our customers are even aware of the surety bond issue.

Erika Williams: As far as CMS, there's always like the Medlearn matters and they have ListServ messages that they put out. Most of our instructions come from technical direction letters and we put it on the NSC Web site. But I'm certain that CMS – any you know type of communication beyond are putting on their Web site and their ListServ messages I'm not certain if they send out or do any mailers or send out any correspondence. Because like with the NSC you know we generally put all of our information out on the Web site and through ListServ messages.

Max Garner: And Erika, I'd like to that as well. (Jerry), we also – it's actually up to the contractor in this case, CIGNA Government Services, it's our responsibility to educate the supplier community on recent changes within the Medicare program, any requirements or new requirements CMS puts out, workshops, education I mean the list goes on and on. It's actually our requirement to educate the suppliers on those topics and we generally do that through our ListServ that's the main vehicle that's used to inform suppliers on recent changes. But we also do it through webinars, Ask the Contractor Teleconferences like today, face to face workshops, all types of different scenario or different avenues are used to educate the supplier community.

Now, if your suppliers are not receiving notification of this type of information one reason the surety bond news is probably new to you is that literally it just came out ...

(Jerry): Right.

Max Garner: ...within the last month if not...

(Jerry): So has there also been a list of authorized companies that CMS is going to approve as far as issuing this surety.

Max Garner: No. And as Erika stated earlier, we're still awaiting on further clarification from CMS on how this process is actually going to work or if it's even going to stay the course and be a requirement. So once we do receive that information, Erika said that they would be sending out a ListServ and educating on it and we would as well. So again if you're not signed up for the NSC and the CIGNA Government Services Web – ListServ, we do encourage you to sign up for that and encourage all of your less than 1% suppliers who have you know having trouble receiving messages to sign up as well.

(Jerry): Okie Doke. Thank you.

Max Garner: Thank you, (Jerry). And, Patrick, we'll take our next question.

Operator: And our next questioner is open.

(C.J.): Yes, my name is (C.J.). My question is with regards to the accreditation of a new entity. We're a business buying an existing Medicare Part B provider so we're needing to get accredited. But then our question is, the down time or I guess the lapse of the ability to bill Medicare Part B because we won't have a number, we can't use their number, have to get accredited. What are you guys doing for the lapse or is there going to be a lapse or how are you dealing with new businesses?

Erika Williams: OK. If you are purchasing an existing company as long as, for example, if you have the – you know get your license and all of your requirements talked about early, he was talking about them for competitive bidding but it would still applies far as making sure that you are prepared

with your license or things of that nature. Now we will make your billing privileges retroactive to that to the bill of sale as long as you have you know your license and everything that are up to date. And therefore there won't be a lapse per se in the time that you could bill with the Medicare for reimbursement.

But during that time, of course, I mean you would have to wait until you actually receive your Medicare billing privileges but then we will reinstate or state your billing privileges as of the date of the bill of sale as long as everything remains current and up to date and ...

(C.J.): What is your – what's your timeframe there because I mean how am I supposed to provide for people for you know three to 5 months?

Erika Williams: Now, we do – even with an initial business and even though you're first in the business but even with your initial business we ask that your company is up and running and operational because you can always get private pay or you know the benefits or other forms of payment beyond Medicare.

(C.J.): Right but if I'm not providing to their existing Medicare clients and I have a lapse there that I can't afford to do they're going to go somewhere else. I'm not going to have that clientele.

Erika Williams: OK. I'm sorry you know this is the instruction that we received from CMS as far as how to actually go about that because it takes time to actually process that application and then receive and process that change of information, which is going to be a change in ownership. And just as anything we have to you know cross T's and dot I's and do checks and balances. So we can't just grant you automatic Medicare billing privileges during that change in ownership.

So we will just have to you know take the time in-house to process your application. Now we will once again make those billing privileges retroactive as long as you know back to the bill of sale as

long as you are in compliance. But as far as your billing privileges during that time then you know you would have to either choose not to you know see the Medicare patients or find other methods to sustain yourself financially until you have your Medicare billing privileges.

(C.J.): So what is the timeframe that you're seeing on that and then also if those clients decide that they're going to get through us due to the fact that we're the only ones that are providing some of those services, are they able to submit those claims themselves for reimbursement?

Erika Williams: Now that – that's going to be – Max, maybe you can address that in so much as the billing portion of that or – because as far as the timeframe which is change of information with the ownership that can be as few as 45 days or it could take more. During that time we have a development process where the analyst receives your application you'll be contacted if further information is actually going to be required for continuing the processing of your application.

_____ Max Garner: Go ahead, Dante.

Dante Thomas: Once you submit the claim to Medicare – once your number is up and running, the processing time we actually have 30 days to process the claim. It generally does not take that long and depending on whether you submit your claims electronically or on paper, which there is a requirement with the Administrative Simplification Compliance Act – I'm going to say ASCA – with that there is a requirement for electronic billings. So if you submit your claims electronically, if the claim is completed, if it does complete processing in less than 30 days you will receive reimbursement for those things that are approved no sooner than 14 days.

(C.J.): I can't – OK. I think you misunderstood my question. I mean I can't get accredited without a Medicare number but those people that I'm supplying supplies to they can't get them from somewhere else in my town during that lapse period that I'm back billing or whatever. Can they submit those themselves if I decide not to be a Medicare provider?

Dante Thomas: No. Not necessarily.

Max Garner: OK. We're going to go ahead and move on to the next caller. I'm not sure if (C.J.) is still there. Patrick, do we have anybody else in queue.

Operator: We do have five additional questions in the queue.

Max Garner: OK. We'll go ahead and take our next one.

Operator: And the next caller's line is open.

(Cheryl): This is (Cheryl). I have a question for Erika about the surety bond requirements.

Erika Williams: OK.

(Cheryl): We are an S corporation that's wholly-owned by a state-licensed prosthetist and we don't employ any other practitioners and I was wondering if we would qualify for the exemption?

Erika Williams: OK. The phone was kind of breaking up a little bit, you said if you are a fully-owned state-licensed O&P and you have no additional staff, would you be required, was that your...

(Cheryl): No. I said we're an S corporation.

Erika Williams: OK.

(Cheryl): And the corporation is wholly owned by a state-licensed prosthetist.

Erika Williams: OK.

(Cheryl): And we don't hire any other practitioners. We don't have any on staff and I was wondering if we be exempt?

Erika Williams: OK. I'm not familiar with an S corporation, can you kind of educate me on that?

(Cheryl): The income passes directly through to the shareholders.

Erika Williams: OK, income passes directly. OK. Now, the exemptions include a state-licensed O&P personnel ...

(Cheryl): That's why I don't know if this would qualify as state-licensed personnel.

Erika Williams: OK. Let me, ma'am because I don't know about that and let me put something out through the ListServ or I'm not certain if CIGNA was going to post anything following but any follow up education to this conference call we'll make sure that that's included.

(Cheryl): OK. Yes, I assumed that they are talking about like a sole proprietor that's state-licensed but I wondered because you know we're a corporation that's wholly owned by the state-licensed prosthetist if that will qualify also.

Erika Williams: OK. With this – my question I'm holding is are S corporations exempt from surety bond requirement ...

(Cheryl): If owned 100% by a state-licensed prosthetist.

Erika Williams: ... if owned 100% ...

(Cheryl): ... 100% by a state-licensed practitioner.

Erika Williams: ... by a state-licensed practitioner. OK.

Max Garner: Erika and (Cheryl), both, once you, Erika – you get some of those questions and get the answers back, we can include that in the minutes of today's call.

Erika Williams: OK. Great.

(Cheryl): OK.

Max Garner: Or any questions you submit when we get back in time, if we can't submit that with the minutes, it will be on our Web site for you know 24-hour, 7-day a week observation or...

Erika Williams: And, (Cheryl), also just another thing to plug – not necessarily to plug but a reminder, if you will, once again the surety bond requirements are kind of up in the air. I don't even know if I can submit this question to CMS for further clarification, I'm not certain how quickly they will respond to it simply because as I stated earlier all pieces of legislation that is not currently implemented is being reviewed by the White House Chief of Staff just to determine if it's something that they even want to implement.

(Cheryl): OK.

Erika Williams: So you know even though you would (need the nose) of it you can get the ball rolling as far as preparing to get the surety bond. I'm not certain if they would wait to respond to such questions once it has been determined that it will be in place because right now as you can tell the guidelines are, if you will, are just so open as far as even saying non-physician practitioners,

state-licensed O&P personnel there's nothing really you know solid in there to pull out if I know definitely you know I will need the surety bond or I will not. So I'm not certain even I will pool the question to them I'm not certain how definitive their answer will be or how soon I will get a response.

Max Garner: That's a very good...

(Cheryl): Is there like a March deadline for ...

Erika Williams: It is March 3. The final regulation was March 3 but if you're an existing DMEPOS supplier, then you would need that surety bond submitted to the NSC no later than October 2.

(Cheryl): Yes.

Max Garner: And that is a very good point, Erika, that we may or may not get answers back to these questions. If that is the case, we will answer as many as possible in the minutes. And once we receive updates on any of these questions and also the topics that we discussed today that would come out I'm sure through NSC ListSers and I know it would come through CIGNA Government Services ListSers.

Erika Williams: Certainly, certainly, certainly.

(Cheryl): The minutes – that's where the minutes are going to come from?

Max Garner: The minutes are going to come from CIGNA Government Services.

(Cheryl): Where will we find those?

Max Garner: On the – if you go to our Web site, it's cignagovernmentservices.com, then go on to the DME MAC Jurisdiction C section, you'll see it under the Education section of our Web site.

(Cheryl): OK.

Max Garner: And also under education, it will be titled Ask the Contractor Teleconferences and all the minutes are located in there.

(Cheryl): OK. Thank you very much.

Max Garner: Thank you, (Cheryl), and thank you, Erika. We'll go ahead and move to our next question, Patrick.

Operator: In addition, we still have five questions in the queue.

Erika Williams: OK.

Operator: And our next line is open.

Female: Hi. I have a question – a couple of questions for you. And the first question is regarding the billing set from the webinars that we were just notified about yesterday through an e-mail.

Max Garner: You were notified yesterday of a webinar?

Female: Yes, it's on February 10, the Billing Webinar 101 and 102.

Max Garner: OK. So that was through our ListServ?

Female: Yes.

Max Garner: OK. And your question about that?

Female: And my question is, it's already full are you going to be offering another webinar?

Max Garner: Yes, those courses have actually been encored several times in the last several months and they're very popular among – those among oxygen and (PAS) and all kinds of other good topics. But, yes, they will be encored again. Just stay tuned to your ListServ for future dates on those.

Female: OK. So you're not going to be allowing anymore participants in that?

Max Garner: Yes. We're actually – we have system limitations that only allow us about 150 participants in each call, which is why we're encoring those. But I'm sure down the road just keep – once you get that ListServ, again, this is why we encourage everybody in the office to sign up.

Female: Right.

Max Garner: If you're out somebody can sign in and sign you up for that – for that course.

Female: Right. Well – like I said we just received it yesterday and through the e-mail so we're a bit surprised that it was already full.

Max Garner: Yes. We have – I think we have people that their computer is just waiting for ListServ on webinars so they can sign up immediately. Did you have another question about you know the NSC topics we discussed today?

Female: Yes, just one more clarification on the accreditation. We have a prosthetist that's also a mastectomy fitter, a certified mastectomy fitter. I'm assuming that it falls under the scope of – for accreditation as a prosthetist. And that she is exempt temporarily, correct?

Erika Williams: No. Actually, according to the technical direction letter that CMS recently submitted, which gives the latest accreditation clarification, mastectomy fitters are required to be accredited to maintain billing privileges. So even though as an – you said an orthotist that's also a mastectomy fitter because it's beyond the scope of being an orthotist, then accreditation requirements would need to be – they would be need to be accredited – wow – to maintain privileges because of being a mastectomy fitter.

Female: The person is a prosthetist. She supplies limb prosthetics as well as mastectomy prosthetics.

Erika Williams: Well, OK. Mastectomy fitters need to be accredited.

Female: The American Board for Certification has that (incorrect) in. This is a certified prosthetist and she, I was told that, because I'm a certified prosthetist that I was going to be exempt from the September 30th deadline even with the mastectomy fitting so I would still be able to continue doing both.

Erika Williams: OK. Will you – maybe do follow up because as I said that with the last piece of instruction given to the NSC by CMS and I do not have that date before me but I know mastectomy fitters shall require accreditation to obtain and maintain Medicare billing privileges.

Female: OK. I guess my question is I'm not quite sure how that is outside the scope because she is still providing prosthetics to mastectomy patients.

Erika Williams: I can understand how it would naturally fit. However you know they were specific as far as the list of exemptions and they were also specific in saying who is not accredited – I'm sorry who will require accreditation and mastectomy fitters is on the list. And I guess it is because it is so close as far as with the prosthetist and it's not uncommon to have a prosthetist that's also a mastectomy fitter and I guess that's why they specifically listed mastectomy fitter needing to be accredited.

Max Garner: And, Erika, when we – when we follow up on that and get clarification on we'll include that in the minutes as well.

Erika Williams: OK.

Max Garner: So, caller, I didn't get your name, but if you'll just check back once we send the ListServ out to announce that the minutes are out there.

Female: OK.

Max Garner: Then you can just check those minutes to see if the – or the answers should be in there for you.

Female: Well, thanks so much for your time.

Max Garner: No problem.

Erika Williams: My pleasure.

Max Garner: Thank you. Patrick, we'll go ahead and take our next caller. I think we got about 6 minutes left on the call. So we'll try to get in everyone that we can.

Operator: And our next caller's line is open.

(Cathy): Hello, my name is (Cathy). I'm from Tennessee. I have a question about the surety bond.

Max Garner: OK. (Cathy).

(Cathy): If I understood you correctly, if there is a change in address we must have a surety bond. We are in the process of moving across town right now. It will take place before the May 4 deadline. Will we be required to do the surety bond now?

Erika Williams: No. Actually, if there's a change in ownership or an additional location that's when you would actually need to be to submit the surety bond starting May 4 for like people you know new to enroll or changing the ownership. If you are actually moving your location then you will not be required to submit the surety bond to the NSC until October 2.

(Cathy): OK. That answers my question.

Max Garner: Excellent. Thank you, (Cathy), and thank you, Erika. Operator, our next caller?

Operator: And next caller, you're line is open.

(Elizabeth): Hi, I'm (Elizabeth) and I have a question regarding the temporary accreditation updates and the surety bond.

Erika Williams: OK.

(Elizabeth): If they do indeed decide – OK the word orthotics and prosthetics providers – so if they decide that and orthotic and prosthetic providers are not going to be exempt in the near future, my question is, will they extend the deadlines?

My concerns are, right now, I was on a conference call in September stating that they're requesting that all applications be submitted by January 31 of 2009 and that Medicare will guarantee that their facilities get not just accredited but get or receive their site visit. Now if they decide let's say in April that orthotics and prosthetics facilities are not going to be exempt and they change the rule then everybody is going to be scurrying to get their accreditation and some of the like (ABC) and (BOC) some of those accrediting organizations take approximately nine months to get to the facilities for site visit.

Erika Williams: OK, (Elizabeth). I understand your concern but also noting that CMS is actually the entity that stated that you know you would need to get your accreditation information and your application to the AOs by January 31 to meet the October 1 deadline. I'm certain they would have to take into consideration that if they were to require O&P or any of the other exempt entities to now be required to be accredited to maintain their billing privileges they will have to extend the deadlines at least for those of supplier types to allow you time to become accredited because they understand that the process can now take you know anywhere from 3 to 6 months.

(Elizabeth): Oh, that's wonderful. Well, I just wanted to confirm that because ...

Erika Williams: Now, I will say though that not this is just me stating you know based on the information that they provided because at this point O&P you know is not entity that requires accreditation to for billing privileges and as far as you said that you want to confirm it, I would imagine you know that they would have to extend the deadline for those entities that are currently exempt. Because there's no way where you would really be struggling, if you will, to become accredited, it'll be

really a close call, to be accredited by October 1, if you have not applied for accreditation at this point.

(Elizabeth): I agree with that. Now, I'm assuming that that follows through for the surety bond as well because we have that deadline of October 2.

Erika Williams: That would be correct as well.

(Elizabeth): Very well. Thank you so much. I appreciate your time and clarification.

Erika Williams: My pleasure.

(Elizabeth): Have a great day.

Max Garner: Thank you for the question, (Elizabeth). And, Patrick, how many more callers do we have in queue?

Operator: We currently just have one question in the queue.

Max Garner: OK. We'll go ahead and take that and I want to make that our last question for today.

Operator: Next caller, your line is open.

(Anna): Hi, my name is (Anna). I was wondering who and how are we to notify NSC or CIGNA when we receive our surety bond?

Erika Williams: OK. You would notify NSC when you receive your surety bond and you would submit – you have to submit a copy of the surety bond if you will to the NSC. As far as other information

that you would send along with that I'm not certain if you have attached the 855S or what other information would actually be required but we will need to see a copy.

(Anna): OK. So we don't really know what they decided yet then.

Erika Williams: No. We do not.

(Anna): OK. Thank you.

Erika Williams: You're very welcome.

Max Garner: Thank you, (Anna), for your question. And thank you again, Erika. We thank you all for joining us today on this Specialty (ACT) Call regarding the NSC changes or recent changes. Please look out for our ListServ and also our Web site once we update. There's a Web site with our minutes from today's call and addition to some of the questions that have been asked. I will send a ListServ out and also update our Web site with that information. So be on a look out for that.

Again, we do thank you all for attending and we look forward to seeing you at future workshops and on future calls.

Erika Williams: Patrick and (Dr. Filly), are they still there?

Max Garner: Operator, Patrick, is the other Patrick still there?

Operator: I did see their line disconnected. If you have rejoined, please press start 3 at this time.

END