Enteral Nutrition

Medicare covers enteral nutrition therapy, commonly called tube feeding, under the Medicare Part B prosthetic device benefit for beneficiaries residing at home or in a skilled nursing facility (SNF) or nursing facility (NF) when the stay is not covered by Medicare Part A. Enteral equipment and supplies are used to provide enteral nutrients through a tube into the stomach or small intestine.

Enteral nutrition, equipment, and related supplies is a product category in Round 1 Rebid of the Medicare DMEPOS (Durable Medical Equipment, Prosthetics, Orthotics, and Supplies) Competitive Bidding Program. With the exception of SNFs and NFs that become specialty suppliers, suppliers that are contract suppliers for the enteral nutrition product category must furnish services to beneficiaries throughout the competitive bidding area (CBA), regardless of whether a beneficiary lives in a private residence or institutional setting.

Payment for Enteral Nutrition Under the Medicare DMEPOS Competitive Bidding Program

Medicare makes payment for nutrients for a 30-day supply based on the "from" date on the claim. If the "from" date on the claim is prior to the implementation date of the Competitive Bidding Program, Medicare will allow non-contract suppliers to bill for the 30-day supply and will pay the fee schedule amount for the 30-day supply. If the "from" date on the claim is on or after the date of implementation of the Competitive Bidding Program, only a contract supplier may bill Medicare for these services, and Medicare will pay the single payment amount for a month's supply. Medicare will also pay contract suppliers for a month's supply at the single payment amount, even if the span date goes beyond the end of the contract period.

Maintenance and servicing (MS) payments for enteral pumps will be paid to the contract supplier using the existing guidelines found in CMS Manual System Pub.100-04, Medicare Claims Processing, Chapter 20, §40.3, with the exception that the payment methodology would be one-half of the Competitive Bidding Program single payment amount for one month's rental rather than one-half of the fee schedule amount for one month's rental.

Under the Competitive Bidding Program laws and regulations, enteral nutrition items cannot be grandfathered. A Medicare beneficiary must obtain related enteral accessories, nutrition and supplies from a contract supplier. Only oxygen and oxygen equipment and rented durable medical equipment (DME) can be grandfathered. Below are some scenarios that discuss supplier responsibilities for enteral nutrition equipment or supplies that were rented prior to the implementation of the Competitive Bidding Program.

Scenario 1: The enteral nutrition pump has been rented for less than 15 continuous months at the time of program implementation.

If the enteral nutrition pump was rented for less than 15 continuous months at the time of the implementation of the program, the rental of the pump must transition to a contract supplier. The contract supplier will be paid the remainder of the rental months and subsequent maintenance and servicing (MS) until a determination is made by the beneficiary's physician that the equipment is no longer medically necessary. The contract supplier will be paid the new single payment amount and is required to accept assignment on the claims. The pick-up of the existing pump and delivery of the new pump should occur on the anniversary date on which the pump was first rented to the beneficiary. For example, if the equipment was rented on August 15th, the anniversary would be September 15th, October 15th, and on the 15th of each following month. A contract supplier may not refuse to furnish items to a beneficiary based on the number of rental months remaining in the 15-month rental period. Suppliers should consider this fact when developing their bids.

- continued pg. 2 -



DMEPOS Competitive Bidding Program

September 2009



Scenario 2: The enteral nutrition pump has been rented for at least 15 continuous months at the time of program implementation.

If the enteral nutrition pump was rented for at least 15 continuous months at the time of program implementation, the supplier (contract or non-contract supplier) that provided the item in the 15th month of the rental period is responsible for furnishing, maintaining and servicing the enteral equipment as long as it is medically necessary. However, the beneficiary must obtain related enteral accessories, nutrients and supplies from a contract supplier.