

# Akerman Practice Update

HEALTHCARE

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## Medicare DMEPOS Suppliers May Need to Take Immediate Action to Preserve their Businesses

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Medicare suppliers of durable medical equipment, prosthetics, orthotics and supplies (DMEPOS), unless exempt, must be accredited and secure a surety bond by October 1, 2009 and October 2, 2009 respectively. Failure to meet these requirements will result in revocation of the supplier's billing number. Revocation under these circumstances will bar the supplier from re-enrolling in Medicare for at least 1 year after the date of revocation.

Many suppliers already have pending applications for accreditation and/or surety bonds, but are uncertain as to whether they will actually obtain accreditation or the bonds prior to the compliance date. We are now in the final stretch before the compliance deadline, and accrediting agencies and bond issuers are flooded with applications. Suppliers who are in this position need to give immediate consideration to voluntarily terminating their enrollment in the Medicare program by completing the appropriate sections of the CMS 855S form and submitting it to the NSC prior to the compliance deadline. This will allow suppliers to re-enroll in Medicare once they have received their accreditation or bond, and are compliant, without being subjected to the 1-year moratorium.

Suppliers who do submit a voluntary termination, and then later re-enroll after obtaining their accreditation or bond, will have a window in time in which they have no valid supplier number. Services rendered during this time period will not be reimbursed by Medicare, nor will the supplier be able to collect

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co-payments from beneficiaries. Suppliers will need to develop a game plan for operation of their businesses during this down time.

It is unclear whether CMS will postpone the current compliance deadlines to allow those suppliers who already have pending applications to complete their processing, or take any other last minute action. At this point, there has been no official indication that any such postponement is in the works. Suppliers with pending applications should take immediate action to preserve the best interests of their companies.

**Michael Gennett is Of Counsel in the firm’s Miami office and is Board Certified in Health Law by The Florida Bar. He represents both healthcare practitioners and institutional providers, with a focus on healthcare licensing, and Medicare and Medicaid compliance issues.**

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