



Medicare Supplier Standards

Please read below to see the Medicare Supplier Standards:

1. Operates its business in compliance with all applicable Federal and State licensure and regulatory requirements;
2. Provides complete and accurate information on the DMEPOS supplier application. Any changes must be reported to the National Supplier Clearinghouse within 30 days;
3. Must have the application for billing privileges by an individual whose signature binds a supplier;
4. Fills orders, fabricates, or fits items from its own inventory or by contracting 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 Government Executive Branch procurement or nonprocurement program or activity;
5. Advises beneficiaries that they may either rent or purchase inexpensive or routinely purchased durable medical equipment, and of the purchase option for capped rental durable medical equipment;
6. Honors all warranties expressed and implied under applicable State law. A supplier must not charge the beneficiary or the Medicare program for the repair or replacement of Medicare covered or for services covered under warranty.
7. Maintains a physical facility on an appropriate site;
8. Permit CMS or its agents to conduct on-site inspections to ascertain the supplier's compliance with the requirements of this section. This supplier location must be accessible during reasonable business hours to beneficiaries and to CMS, and must maintain a visible sign and posted hours of operation;
9. Maintains a primary business telephone listed under the name of the business locally or toll-free for beneficiaries. The supplier must furnish information to beneficiaries at the time of delivery of items on how the beneficiary can contact the supplier by telephone. The exclusive use of a beeper number, answering service, pager, facsimile machine, car phone, or an answering machine may not be used as the primary business telephone for purposes of this regulation;
10. 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;
11. Must not initiate telephone contact with beneficiaries, with a few exceptions allowed. This standard prohibits suppliers from calling beneficiaries in order to solicit new business;
12. Is responsible for delivery and must instruct beneficiaries, and maintain documentation of such contacts;



13. A supplier must answer questions and respond to complaints from beneficiaries, and maintain documentation of such contacts;
14. Must maintain and replace at no charge, or repair directly, or through a service contract with another company, Medicare-covered items it has rented to beneficiaries;
15. 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;
16. Must disclose these Medicare supplier standards to each beneficiary to whom it supplies a Medicare-covered item;
17. Must disclose to the government any person having ownership, financial or control interest in the supplier;
18. Must not convey or reassign a supplier number (may not sell or allow another entity to use its Medicare billing number)
19. Must have a complaint resolution protocol established to address beneficiary complaints that relate to these standards. A record of these complaints must be maintained at the physical facility;
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;
21. Must agree to furnish CMS any information required by the Medicare statute and implementing regulations.
22. Must be accredited by a CMS approved body in order to receive/retain a billing number. The accreditation must list the specific products and services for which the supplier is accredited.
23. All suppliers must notify their accreditation organization when a new DMEPOS location is opened.
24. All supplier locations, owned or subcontracted, must meet DMEPOS quality standards and be separately accredited.
25. All suppliers must disclose upon enrollment all products and services, including the addition of new product lines for which they are seeking accreditation.
26. Suppliers must meet surety bond requirements set forth in 42 CFR 424.57 (c).
27. Supplier must obtain oxygen from a state-licensed oxygen supplier.
28. Suppliers must maintain ordering and referring documentation consistent with the provisions found in 42 CFR 424.516(f).
29. DMEPOS suppliers are prohibited from sharing a practice location with certain other Medicare providers and suppliers and they must remain open to the public for a minimum of 30 hours per week with certain exceptions.