

**HCPCS CODE** All current year active and deleted codes subject to DMEPOS floors and ceilings.

## **MODIFIER**

NU--Purchased, New

RR--Rented

UE--Purchased, Used

KM--Replacement of Facial Prosthesis including new  
impression/moulage

KN--Replacement of Facial Prosthesis using previous master mold

AU--Urological, ostomy or trach item

## **JURISDICTION**

D--DMERC jurisdiction

L--Local Part B Carrier jurisdiction

J--Joint DMERC/Local Carrier jurisdiction

## **CATEGORY**

IN--Inexpensive and Other Routinely Purchased Items

FS--Frequently Serviced Items

CR--Capped Rental Items

OX--Oxygen and Oxygen Equipment

OS--Ostomy, Tracheostomy & Urological Items

SD--Surgical Dressings

PO--Prosthetics & Orthotics

SU--Supplies

TE--Transcutaneous Electrical Nerve Stimulators

## **CEILING**

Maximum fee schedule amount.

Please note that since E0607 is priced via national Inherent Reasonableness, it is not priced using floors and ceilings. For E0607, this field will be filled with zeros. Since pricing amounts for E1405 and E1406 were developed by summing pricing amounts from source codes, they are not subject to ceilings and floors.

## **FLOOR**

Minimum fee schedule amount.

Please note that since E0607 is priced via national Inherent Reasonableness, it is not priced using floors and ceilings. For E0607, this field will be filled with zeros. Since pricing amounts for E1405 and E1406 were developed by summing pricing amounts from source codes, they are not subject to ceilings and floors.

## **Background:**

Medicare payment for durable medical equipment (DME), prosthetics and orthotics (P&O), and surgical dressings is equal to 80 percent of the lower of either the actual charge for the item or the fee schedule amount calculated for the item, less any unmet deductible. The beneficiary is responsible for 20 percent of the lower of either the actual charge for the item or the fee schedule amount calculated for the item, plus any unmet deductible. The DME and P&O fee schedule payment methodology is mandated by section 4062 of the Omnibus Budget Reconciliation Act (OBRA) of 1987, which added section 1834(a) to the Social Security Act. OBRA of 1990 added a separate subsection, 1834(h), for P&O. The DME and P&O fee schedules were implemented on January 1, 1989 with the exception of the oxygen fee schedules, which were implemented on June 1, 1989. Section 13544 of OBRA of 1993, which added section 1834(i)