

Ordering/Referring Physician Checklist for Suppliers

Effective May 1, 2013, the Centers for Medicare & Medicaid Services (CMS) will turn on the Phase 2 denial edits. This means that Medicare will deny DMEPOS claims if the ordering/referring physician is not identified, not in Medicare's enrollment records, or not of a specialty type that may order/refer the service/item being billed.

To verify your ordering/referring physician, or if you have received one of the following Remittance Advice Remark codes (RARC), please follow the steps listed below:

- **N264** Missing/incomplete/invalid ordering provider name.
- **N265** Missing/incomplete/invalid ordering provider primary identifier.
- **N544 Alert:** Although this was paid, you have billed with a referring/ordering provider that does not match our system record. Unless, corrected, this will not be paid in the future (Warning message prior to May 1, 2013).

1. Check the "Ordering Referring Report" – This file contains the NPIs and names of physicians and non-physician practitioners who have current enrollment records in PECOS and are of a type/specialty that is eligible to order and refer. CMS updates the report on a periodic basis, and each document includes a create date: <http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/MedicareOrderingandReferring.html>
2. If the physician appears on the file, follow these tips for claim submission:
 - File a new claim – no need to file an appeal if you received one of the above RARC messages.
 - Use the name and NPI exactly as it appears on the file.
 - Do not use "nicknames" on the claim, as their use could cause the claim to fail the edits.
 - Do not enter a credential (e.g., "Dr.") in a name field.
 - On paper claims (CMS-1500), in item 17, you should enter the Ordering/Referring Provider's first name first, and last name second (e.g., John Smith).

- Ensure that the name and the NPI you enter for the Ordering/Referring Provider belong to a physician or non-physician practitioner and not to an organization, such as a group practice that employs the physician or non-physician practitioner who generated the order or referral.
 - Make sure that the qualifier in the electronic claim (X12N 837P 4010A1) 2310A NM102 loop is a 1 (person). Organizations (qualifier 2) cannot order and refer.
3. If the physician does not appear on CMS' "Ordering Referring Report" contact the ordering/referring physician to find out if they are in the process of enrolling with Medicare. The CMS "Ordering Referring Report" will include a create date; any applications processed after the create date will not appear on the report until it is next updated. Services ordered by a physician who is not enrolled in Medicare will be denied.

Chiropractors are not eligible to order or refer supplies or services for Medicare beneficiaries. All services ordered or referred by a chiropractor will be denied.

Opt-Out Physicians: A physician who has opted out of Medicare may order items or services for Medicare beneficiaries by submitting an opt-out affidavit to a Medicare contractor within the physician's specific jurisdiction. Opt-out physicians who are able to order or refer Medicare services will appear on the "Ordering Referring Report".

Department of Veterans Affairs (DVA), Public Health Service (PHS), or the Department of Defense (DoD)/Tricare: These physicians and non-physician practitioners will need to enroll in Medicare in order to continue to order or refer items or services for Medicare beneficiaries. DVA, PHS or DoD/Tricare physicians who are able to order or refer Medicare services will appear on the "Ordering Referring Report."

Suppliers should refer to MLN Matters® Number: SE1305 "Full Implementation of Edits on the Ordering/Referring Providers in Medicare Part B, DME, and Part A Home Health Agency (HHA) Claims (Change Requests 6417, 6421, 6696, and 6856)" for complete information: <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNMattersArticles/Downloads/SE1305.pdf>



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