



State of New Jersey
Department of Human Services
Division of Medical Assistance & Health Services

NEWSLETTER

Volume 9 No. 8

January 1999

- TO:** Medical Suppliers, Prosthetic and Orthotic Providers - For Action
Health Maintenance Organizations - For Information Only
- SUBJECT:** **Status of Surety Bond and Disclosure Requirements for Providers of Durable Medical Equipment**
- EFFECTIVE:** Claims with service dates on or after January 1, 1999
- PURPOSE:** To notify providers of Durable Medical Equipment (DME) of the State's decision regarding continuation of surety bond and disclosure requirements for calendar year 1999.
- BACKGROUND:** The New Jersey Division of Medical Assistance and Health Services (DMAHS), in the Medicaid Newsletter Volume 7, No. 69, notified medical suppliers, and prosthetic and orthotic providers who provide DME of new requirements for a \$50,000 surety bond and full disclosure of ownership and controlling interest(s). These requirements applied to claims with service dates on or after February 27, 1998.
- ACTION:** Due to recent decisions by the Health Care Financing Administration (HCFA), DMAHS is **postponing** continuation of the surety bond and full disclosure of ownership and controlling interest(s) requirements for **DME claims with service dates on or after January 1, 1999**. The State will re-implement these requirements following a final agency decision from HCFA regarding this matter. A final decision is anticipated during calendar year 1999.

If you have any questions concerning this Newsletter, please do not hesitate to contact the Chief, Pharmaceutical Services, at (609) 588-2724.

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