

Licensure for Contract Suppliers

As a contract supplier for the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program, you must comply with all applicable state and local laws. This includes maintaining compliance with all applicable state and local licensing requirements pertaining to functions under your contract throughout the duration of the contract period. In addition, you must work with the National Supplier Clearinghouse (NSC) so that your enrollment information is always current. Failure to comply with these requirements is a breach of contract and may result in contract termination, the revocation of Medicare billing privileges, and other significant penalties.

Here are key requirements contract suppliers should remember about licensure:

- Contract suppliers must have a current copy of all applicable state licenses on file with the NSC and in the Provider Enrollment, Chain, and Ownership System (PECOS). Therefore, at the time a license(s) expires, it is the responsibility of the contract supplier to submit a current license(s) to the NSC.
- Every contract supplier location must be properly licensed for each state in which it provides services.
- A contract supplier that serves a multiple-state competitive bidding area (CBA) must have all applicable licenses for the items and services in its contract for each state in the CBA.
 - If a contract supplier has only one location in a multiple-state CBA, that location must provide the items and services in its contract throughout the CBA and must meet the licensure requirements of each state in the CBA. For example, a contract supplier for the Cincinnati-Middletown (Ohio, Kentucky, and Indiana) CBA that only has a location in Ohio must have that location licensed in Ohio, Kentucky, and Indiana.
 - Each location of a contract supplier with more than one location in a multiple-state CBA must have the applicable state licenses for each state in the CBA in which it provides competitively bid items. For example, for the Charlotte-Gastonia-Rock Hill (North Carolina and South Carolina) CBA, all locations of the supplier located in North Carolina must have the state license(s) to provide the items and services in its contract in North Carolina, and all locations of the supplier in South Carolina must have the state license(s) to provide the items and services in South Carolina. However, each location does not have to be licensed for both states unless that location is providing items and services in both states.
- Contract suppliers that furnish items through the mail must possess all applicable state licenses required to furnish items through the mail for each state for which they were awarded a contract.

A DMEPOS state license directory may be found on the NSC website at palmettogba.com/NSC. This directory provides general licensure requirements for each product category included in the Competitive Bidding Program and contact information for each state's licensing board or agency. The DMEPOS state license directory is only a guide. Licensing requirements change periodically and it remains the responsibility of the contract supplier to identify and obtain all required licenses. For more information about licensure requirements, please consult the appropriate license issuing agency listed on the guides or call the NSC at **866-238-9652**.

