

Notice to Licensees:

Oxygen Equipment/Services Procedure for Supplier Exit and Becoming a New Supplier (in the Case of Abandonment)

Effective June 1, 2014, Alabama law now requires home medical equipment services providers with a principal place of business outside of Alabama to have at least one in-state licensed location in order to continue providing services to Alabama consumers. Current out of state licenses will expire effective August 31, 2014, unless the licensees establish an in-state location that meets the Board's licensure requirements. While many companies have come into compliance with the new law, others have determined that they will no longer do business in Alabama and have notified the patients they serve that they will no longer provide them with home medical equipment services.

The Alabama Department of Public Health and other state agencies have received a number of calls from consumers who are dependent on oxygen equipment that is still under contract with out of state licensees who do not plan to establish an in-state location. These consumers have been notified that they will no longer be able to receive services from their current DME providers and are thus facing abandonment of service.

CMS has an established procedure whereby a DME supplier may take on a beneficiary and receive a new 36 month capped rental period for oxygen equipment, as described in the attached article. CMS has authorized the use of this procedure by licensed Alabama home medical equipment providers for any beneficiary facing abandonment of oxygen equipment/services and replacement oxygen as a result of the implementation of this new law. If you have any questions, please contact the Board office.

<http://cgsmedicare.com/jc/pubs/news/2014/0614/cope25974.html>