



Self-Pay and Cash Sales

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<i>Department</i>	Funding, Payer Relations
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Scope

All National Seating & Mobility policies and procedures apply to all owners, directors, officers, and employees of NSM and all related entities equally unless otherwise indicated.

Purpose/Policy Introduction

The purpose of this policy is to provide written guidelines to be certain we follow all payer requirements regarding self-pay or cash sales to our clients. Failure to follow the correct process could jeopardize our contracts and/or status with our payers and could cause us to have to refund payments made to us incorrectly.

Policy

When a client requests to purchase equipment or services for self-pay or cash, NSM must follow the correct procedures required by the client's payer(s). Although it may seem easier to collect payments directly from our clients, our contracts with our clients' health insurance plans and the limitations on self-pay or cash sales by our status as an enrolled DMEPOS supplier with Medicare may impact self-pay or cash sale options.

Information regarding insurance coverage must be obtained from every client prior to completing a self-pay or cash sale. The UPD must be checked to confirm that we're allowed to accept payments directly from a client under the client's plan. Proper notification and/or any waiver of benefits required by the payer must be obtained prior to completion of a self-pay sale. If a payer requires a denial before we can accept payment from a client, that process must be followed.

Self-pay or cash sales must be at the request of the client. NSM employees are not allowed to offer self-pay or cash sales as an option to speed up or circumvent the funding process with a client's payer.

Clients purchasing items for self-pay or cash must acknowledge that they are doing so at their request and that they understand they will not be able to file a claim for the item.

Cash sales include those made by cash, check, credit card or other payment method utilized by NSM. For this policy, self-pay sales are considered **any** payment direct from the client or one that does not come from the client's health insurance plan(s) if the client has health insurance.

Procedure

NSM employees or agents are required to ask a client or their representative who wants to self-pay or pay cash for equipment or services if they have insurance coverage before proceeding with the sale. Confirmation that insurance information was requested and the client responded will be noted in the Work Order and on the receipt for a cash sale or on the Delivery Checklist for a Self-Pay order.

If a client states they have no insurance coverage, the cash sale may proceed using the **Cash Sale – Inventory tool**. A receipt for the payment must be provided to the client or their representative. Confirmation that the client advised NSM they do not have insurance coverage will be noted on the receipt for the cash sale.

If a client has insurance coverage, the UPD must be checked to confirm that we're allowed to accept payments from the client under the client's plan. Medicare and many payers only allow self-pay or cash payments from clients under certain circumstances. If self-pay or cash payments are not allowed, a claim must be filed following the payer's guidelines.

If a client has insurance coverage, the **Cash Sale - Inventory tool** may NOT be used. A regular order using **Self-Pay as the Payer** must be created and processed for clients who have insurance coverage. The **Cash Sale – Inventory tool** may ONLY be used for clients who state they have no insurance coverage.

For Medicare beneficiaries, NSM can accept self-pay or cash payments for items that are not medically necessary or that are included in the competitive bidding program if we have an Advance Beneficiary Notice (ABN) completed and signed prior to delivery. If a client does not have and does not want to obtain documentation required by their payer to process a claim, the items will be considered not medically necessary. This option can only be chosen by a client; it cannot be at an NSM employee's direction. If an item is considered non-covered because it exceeds the quantity limited by the payer, a claim must be submitted if the reason for exceeding the quantity is medical in nature. If the excess is for a non-medical reason, the order may be processed as a self-pay or cash sale with an ABN/Waiver.

While an ABN is not required for items that are never covered by Medicare, completing one prior to delivery does provide an opportunity to confirm the client understands that Medicare will not pay for the item.

Many other payer contracts have the same requirements. If the payer has their own waiver or version of an ABN, it must be obtained prior to delivery. If the payer does not have their own ABN but self-pay or cash sales are allowed, the NSM Waiver of Benefits form must be used.

Pricing for Self-Pay and Cash Sales must follow the **Self-Pay Pricing Policy** on WNSM.

References/Resources

n/a

Definitions

Term	Definition
Cash Sale – Inventory	A sale of inventory items sold to a walk-in client for cash or cash equivalent who does not have insurance coverage.
Self-Pay Orders	Sales made by cash, check, credit card or other payment method utilized by NSM. For this policy, Self-Pay orders are considered any payment direct from the client that does not come from the client's health insurance plan(s) if the client has health insurance.

Policy History

Revision Date	Author/Department	Description
10/10/2022	Compliance/Payer Relations	New Policy