

Let Goldleaf Surety Services Help You with Your Clients' DMEPOS Bond Needs

Do you struggle to find DMEPOS coverage for clients with lower credit scores? Big "I" Markets partner Goldleaf can help.

If your insured has an unsatisfactory credit history report or unfavorable financials, Goldleaf underwriters' experience and access to many surety markets allows them to place bonds when others may not be able to.



What is a DMEPOS Bond?

Medicare Bonds, often referred to as DMEPOS Bonds, are mandatory for manufacturers and suppliers of durable medical equipment, prosthetics, orthotics and supplies (DMEPOS). The Centers for Medicare & Medicaid Services (CMS) published a final rule titled, "Medicare Program: Surety Bond Requirement for Suppliers of Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS)" in the Federal Register on January 2, 2009. This final rule implemented Section 4312(a) of the Balanced Budget Act of 1997 and requires certain DMEPOS suppliers to obtain and maintain a surety bond on continuing basis. This surety bond aims to prevent fraudulent activity within the industry.

What is the bond amount?

Section 4312(b) requires that a surety bond be in the amount of not be less than \$50,000. Most suppliers are required to obtain a \$50,000 surety bond. However there are several exceptions.

- The bond amount will increase beyond the \$50,000 for suppliers who are deemed high risk.
- Suppliers with multiple locations are required to obtain a bond for each National Provider Identifier (NPI). For example, a larger DMEPOS supplier with 20 practice locations would be required to secure a \$1 million Medicare (DMEPOS) Bond, one for each location.

Who is exempt?

Suppliers who are exempt from the bonding requirement include:

- Government-owned suppliers that have provided CMS with comparable surety bond under state law. The surety bond shall state that CMS is an obligee and cover obligations concerning claims
- State-licensed orthotic and prosthetic personnel in private practice making custom orthotics and prosthetics if the business is solely-owned and operated by said personnel and is billing only for orthotic and prosthetics, and supplies
- Physicians and non-physician practitioners if the DMEPOS items are furnished only to his or her patients as part of his or her professional services
- Physical and occupation therapists if: (1) the business is solely-owned and operated by the therapist, and (2) if the DMEPOS items are furnished only to his or her patients as part of his or her professional service.

Goldleaf Surety has a number of good surety markets that write Medicare bonds or DMEPOS. For DMEPOS - or all types of bonds - you can contact Goldleaf Surety through [Big "I" Markets](#).