


CMS Surety Bond Mandate!



Q. What is a Surety Bond?

A. A Surety Bond is a contract among at least three parties, the principle, the obligee and the surety. Through this set up and agreement, the surety agrees to make the obligee whole if the principle defaults in its performance of the promise to the obligee.

Q. What is Medicare DMEPOS?

A. Medicare DMEPOS stands for Durable Medical Equipment, Prosthetics, Orthotics, & Supplies.

Q. Who is requiring this Bond?

A. Any Medicare DMEPOS supplier who is an entity or individual, including a physician or Part A provider, that sells or rents Part B covered DMEPOS items. Also, they must meet the Medicare DMEPOS supplier standards.

Q. What is the Bond amount?

A. The bond amount is \$50,000 per National Producer Identification (NPI) number.

Q. How Much will the Bond Cost Us!

A. Because each bond is underwritten individually, each provider will need to submit an application. Several factors are used that include underwriting history with Byrne – Kim if you are a current client, credit scores, and information contained on the application. Some providers may even qualify for multiple NPI discounts. PLEASE NOTE: some brokers and agents are advertising very, very low rates, although some of these low rates may be available, they are related to very stiff underwriting, and a perfect credit score - meaning absolutely no large debts, loans, not too many credit cards open, and a deep dig into to your financial history (personal & business). Our application process is very simple; we will fax or email you an application or you can go on-line and download the application. Once you have complete the application, just fax it back into our office at: (949) 270-3704. Your completed application will be entered into our system for proposals (please be advised our underwriters require a complete application in order to be processed, an incomplete application will only slow the process down). All approved proposals will be presented to you via, fax or email. Should you accept the bond, our office will issue your Bond, via fax, email or mail you a copy to submit to Medicare. As a client, you will also have the ability to view, download and print all your insurance policies and bonds, under your own User Account on our website.

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Q. So when is the Deadline?

A. By October 2nd, 2009, existing Medicare DMEPOS suppliers will be required to comply with surety bond requirement for each assigned NPI to which Medicare has granted billing privileges.

Your Medicare Billing Privileges are vital to your business, CMS would like to remind all DMEPOS suppliers that certain suppliers will need to obtain and submit a surety bond by the October 2nd deadline or they risk having their Medicare Part B billing privileges revoked. Suppliers are also required to be bonded in order to bid in the DMEPOS competitive bidding program.

Important: Coverage is written by A. M. Best "A" Rated Companies. Your liability and professional exposures are most likely a cause for worry. Our Policies give you a very important additional "extra" - Peace of mind!

WE'RE HERE TO HELP YOU!

For further information about your Insurance Policy or your DMEPOS Bond, Contact us today:



T. (949) 249-2540 – F. (949) 270-3704
or visits our web site at:
www.bkainsurance.com

Don't wait, get your Insurance Proposal and Medicare DMEPOS Bond TODAY!

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