**DME New Hire Knowledge Assessment**

**Employee Name:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
**Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  
**Score:** \_\_\_\_\_\_\_\_\_\_ / 25

**Section 1: Multiple Choice**

(Select the best answer for each question.)

1. What does DME stand for?  
   a) Durable Medical Equipment  
   b) Diagnostic Medical Equipment  
   c) Direct Medical Essentials  
   d) Daily Medical Equipment
2. Which of the following is an example of durable medical equipment?  
   a) Prescription medication  
   b) Wheelchair  
   c) Bandages  
   d) Vitamin supplements
3. What agency regulates the billing and reimbursement of DME under Medicare?  
   a) FDA  
   b) CMS  
   c) OSHA  
   d) DEA
4. A patient qualifies for Medicare coverage of DME if:  
   a) They purchase the equipment out-of-pocket  
   b) Their physician deems the equipment medically necessary  
   c) They have a health savings account  
   d) They need the equipment for cosmetic reasons
5. How often must a physician’s order be renewed for most Medicare-covered DME?  
   a) Every 3 months  
   b) Every 6 months  
   c) Annually  
   d) Only once, at the time of first order
6. What is the purpose of a **Certificate of Medical Necessity (CMN)?**  
   a) To allow patients to purchase DME at a discounted rate  
   b) To document the medical necessity of the equipment for insurance coverage  
   c) To verify the identity of the patient  
   d) To authorize shipping of DME products internationally
7. Which of the following is NOT considered a DME item?  
   a) CPAP machine  
   b) Oxygen concentrator  
   c) Diabetic test strips  
   d) Nebulizer
8. What is the first step in processing a new DME order?  
   a) Submitting a claim to the insurance provider  
   b) Verifying the patient’s insurance coverage  
   c) Shipping the equipment to the patient  
   d) Collecting payment from the patient
9. When delivering DME to a patient’s home, what must be documented?  
   a) Proof of delivery and patient’s signature  
   b) Patient’s income level  
   c) Patient’s weight and height  
   d) Date of the patient’s last hospital visit
10. If a patient calls to report that their oxygen concentrator is not working properly, what is the correct action?  
    a) Tell them to purchase a new one  
    b) Schedule an equipment maintenance check  
    c) Advise them to discontinue using it  
    d) Refer them to their primary care physician
11. HIPAA regulations require that patient information be:  
    a) Shared only with the patient’s employer  
    b) Kept confidential and disclosed only with proper authorization  
    c) Shared freely within the company  
    d) Accessible to any family member of the patient
12. What is an NPI number?  
    a) A serial number on DME equipment  
    b) A unique identifier for healthcare providers  
    c) A patient’s Medicare ID  
    d) A type of insurance code
13. Which entity is responsible for accrediting DME suppliers?  
    a) The local health department  
    b) The Joint Commission or ACHC  
    c) The FDA  
    d) The Social Security Administration
14. If a patient no longer needs their DME, what should they do?  
    a) Throw it away  
    b) Donate it to a friend  
    c) Follow company policies for returns or disposal  
    d) Sell it online
15. What should an employee do if they suspect a fraudulent Medicare claim?  
    a) Ignore it  
    b) Report it to a supervisor or compliance officer  
    c) Process the claim anyway  
    d) Call the patient directly to ask about it

**Section 2: True/False**

(Circle **True** or **False** for each statement.)

1. T / F - Medicare will cover all DME items, regardless of medical necessity.
2. T / F - A CPAP machine is commonly used for patients with sleep apnea.
3. T / F - All DME suppliers must comply with FDA regulations for patient safety.
4. T / F - Employees are allowed to access a patient’s medical records without a need-to-know basis.
5. T / F - Patients must always pay the full cost of their DME upfront before Medicare reimbursement.
6. T / F - A DME provider must obtain a prescription before dispensing certain medical equipment.
7. T / F - A DME supplier can submit an insurance claim before delivering the equipment to a patient.
8. T / F - Oxygen concentrators require periodic maintenance and filter replacement.
9. T / F - Employees handling patient information must receive HIPAA training.
10. T / F - The company can refuse service to a Medicare beneficiary without reason.