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Note: This article is impacted by the Medicare Improvements for Patients and Providers Act of 2008, which was enacted on July 15, 2008. That legislation delays the implementation of the DMEPOS competitive bidding program until 2009 and makes other changes to the program. This article will be further revised and/or replaced as more details of the modified program are available.

Pre-Bidding Activities for the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program

Provider Types Affected

All suppliers of durable medical equipment (DME) that wish to participate in the Medicare DMEPOS competitive bidding program.

Provider Action Needed

This Special Edition (SE) article, SE0714, outlines the pre-bidding activities that DME suppliers need to follow in order to participate in the Medicare DMEPOS Competitive Bidding Program.

Background

Providers and suppliers that furnish certain DMEPOS to Medicare beneficiaries under Medicare Part B will have an opportunity to participate in a competitive acquisition program (the "Medicare DMEPOS Competitive Bidding Program"). This program will improve the accuracy of Medicare's payments for certain DMEPOS, reduce beneficiary out-of-pocket expenses, and save the Medicare program money while ensuring beneficiary access to quality DMEPOS items and services.

To assist with the DMEPOS Competitive Bidding Program, CMS awarded a contract to Palmetto GBA to serve as the Competitive Bidding Implementation Contractor (CBIC) for program implementation and monitoring.

As the DMEPOS Competitive Bidding Program progresses, suppliers may want to view the final rule governing the program, which is available at <http://www.cms.hhs.gov/quarterlyproviderupdates/downloads/cms1270f.pdf>

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on the CMS website. In addition, you may want to visit <http://www.cms.hhs.gov/competitiveacqfordmepos> for more complete information on the program and the process whereby suppliers can bid and participate.

There are other *MLN Matters* articles on the program. These articles are discussed briefly in the "Additional Information" section of this article.

Basic Instructions

All suppliers submitting a bid must:

- Be in good standing and have an active National Supplier Clearinghouse number (NSC#);
- Meet any local or State licensure requirements, if any, for the item being bid;
- Be accredited or be pending accreditation. CMS cannot accept a bid from any supplier that is not accredited or that has not applied for accreditation. The accreditation deadline for the first round of competitive bidding is August 31, 2007. Suppliers should apply for accreditation immediately to allow adequate time to process their applications. (For a listing of CMS-approved accrediting organizations, please visit http://www.cms.hhs.gov/CompetitiveAcqforDMEPOS/downloads/DMEPOS_Accreditation_Organizations.pdf on the CMS website. *MLN Matters* article SE0713 provides additional information on accreditation and is located at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0713.pdf>, and
- Complete initial registration in the internet application (Individuals Authorized Access CMS computer Services, IACS) to get a USER ID and password. Suppliers need to complete this initial registration process early to avoid delays in being able to submit bids. The initial registration process requires the **authorized official**, as identified in Section 15 of the CMS 855S, to complete the information required in the internet application. The authorized official's information must match the information on file at the National Supplier Clearinghouse. To complete this initial registration and obtain a USER ID and password, please go to <https://applications.cms.hhs.gov> on the CMS website.

All suppliers submitting a bid should:

- Review *MLN Matters* article SE0717, Initial Supplier Registration for Competitive Bidding Program is Now Open, which provides important information about the registration process. SE0717 can be viewed at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0717.pdf> on the CMS website;

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- Review the information in the Bid Application Tool Kit to facilitate a better understanding of the bidding process and rules. This information is located on the CBIC website at [http://www.dmecompetitivebid.com/cbic/cbic.nsf/\(subpages\)/CBICSuppliersBid%20Application%20Tool%20Kit](http://www.dmecompetitivebid.com/cbic/cbic.nsf/(subpages)/CBICSuppliersBid%20Application%20Tool%20Kit).
- View the educational webcast to learn more about the Medicare DMEPOS Competitive Bidding Program and detailed information on the bid application process. This information is located on the CBIC Web site at [http://www.dmecompetitivebid.com/cbic/cbic.nsf/\(subpages\)/CBICSuppliersEducational%20Tools](http://www.dmecompetitivebid.com/cbic/cbic.nsf/(subpages)/CBICSuppliersEducational%20Tools); and
- CMS encourages you to register to receive updates on the Competitive Bidding Program. You may do so by going to <http://www.cms.hhs.gov/apps/maillinglists/> on the CMS website.

Additional Information

The CMS complete listing of all DME resources is available at <http://www.cms.hhs.gov/center/dme.asp> on the CMS website. A background review of the rationale for this program is at http://www.cms.hhs.gov/CompetitiveAcqforDMEPOS/downloads/DME_sum.pdf on the CMS website.

MLN Matters article SE0713, *Accreditation Information for Suppliers of Durable Medical Equipment, Orthotics, Prosthetics, and Supplies (DMEPOS)*, relates to this article and provides an overview of the Medicare Modernization Act legislation and how it impacts this competitive bidding program. It also outlines the quality standards for suppliers, describes the status of accreditation, and provides the web addresses of the ten accrediting organizations. SE0713 can be viewed at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0713.pdf> on the CMS website.

Another article, MM5574, provides more overview information regarding the DMEPOS Competitive Bidding Program and that article is at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5574.pdf> on the CMS website.

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