

U.S. House and Senate Notification
Tuesday, April 17, 2012

To: Congressional Health Staff

From: Jennifer Boulanger
Acting Director, Office of Legislation
Centers for Medicare & Medicaid Services

Re: Next Steps for Round 1 of the DMEPOS Competitive Bidding Program

The Centers for Medicare & Medicaid Services (CMS) today announced plans to recompetete the supplier contracts awarded in the Round 1 Rebid of the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program. CMS is required by law to recompetete contracts under the DMEPOS Competitive Bidding Program at least once every three years and to add additional products that include high cost, high volume items with a large savings potential to the list of the product categories subject to bid.

The competition being announced today will continue the program in the first nine areas and include two program improvements: additional items to be competitively bid and new product category groupings of similar items and accessories. These process improvements will provide larger, more consolidated product categories that promote one-stop shopping for beneficiaries, simplify the referral process and enhance the business outlook and opportunities for winning suppliers.

The Round 1 Rebid contract period for all product categories (except mail order diabetic supplies) expires on December 31, 2013. To ensure that suppliers have ample time to prepare for the competition, CMS has announced the following next steps for the program:

Spring 2012

- CMS begins pre-bidding supplier awareness program

Summer 2012

- CMS announces bidding schedule
- CMS begins bidder education program
- Bidder registration period to obtain user ID and password begins

Fall 2012

- Bidding begins

The Round 1 Recompetete product categories are:

- Respiratory Equipment and Related Supplies and Accessories (includes oxygen, oxygen equipment, and supplies; continuous positive airway pressure (CPAP) devices, respiratory assist devices (RADs), and related supplies and accessories; and standard nebulizers)

- Standard Mobility Equipment and Related Accessories (includes walkers, standard power and manual wheelchairs, scooters, and related accessories)
- General Home Equipment and Related Supplies and Accessories (includes hospital beds and related accessories, group 1 and 2 support surfaces, transcutaneous electrical nerve stimulation (TENS) devices, commode chairs, patient lifts, and seat lifts)
- Enteral Nutrients, Equipment and Supplies
- Negative Pressure Wound Therapy Pumps and Related Supplies and Accessories
- External Infusion Pumps and Supplies

A list of the specific items in each product category is available on the Competitive Bidding Implementation Contractor (CBIC) website, www.dmecompetitivebid.com; the specific ZIP codes in each Round 1 Recompete CBA are also available on the CBIC website.

Please find attached a fact sheet about this announcement. If you have any questions about this notification, please contact the CMS Office of Legislation at 202-690-8220. Thank you.