



FACT SHEET

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Timeline for the DMEPOS Competitive Bidding Round 2 Recompete and the National Mail-Order Recompete; Begins Bidder Education Program

The Centers for Medicare & Medicaid Services (CMS) today announced the bidding timeline for the Round 2 Recompete and the national mail-order recompete of the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bidding Program, as required by law. CMS has also launched a comprehensive bidder education program. This program is designed to ensure that DMEPOS suppliers interested in bidding receive the information and assistance they need to submit complete bids in a timely manner.

The Medicare DMEPOS Competitive Bidding Program has saved more than \$580 million in the nine markets at the end of the Round 1 Rebid's 3-year contract period due to lower payments and decreased unnecessary utilization. Additional savings are being achieved as part of the Affordable Care Act's expansion of the competitive bidding program—at the end of the first year of Round 2 and the national mail-order program, Medicare has saved approximately \$2 billion. Furthermore, the monitoring data show that the implementation is going smoothly with few inquiries or complaints and no changes to beneficiary health outcomes.

Background

The Medicare DMEPOS Competitive Bidding Program was established by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 as a way to help Medicare set appropriate payment rates for DMEPOS items and services. The program was expanded by the Affordable Care Act in 2010. In January 2011, Medicare started the program in nine areas of the country. In July 2013, Medicare expanded the competitive bidding program to more areas of the country, called the Round 2 areas, and also implemented a national mail-order program for diabetic testing supplies.

The program replaces the outdated, inflated fee-schedule prices Medicare paid for these items with lower, more accurate prices to help Medicare and its beneficiaries save money while ensuring access to quality equipment, supplies and services. It also helps limit fraud and abuse in the Medicare Program.

Summary

CMS is required by section 1847(b)(3) of the Social Security Act to recompetete contracts under the DMEPOS Competitive Bidding Program at least once every three years. Suppliers must then compete to become a Medicare contract supplier by submitting bids to provide certain items in competitive bidding areas (CBA). The new, lower payment amounts resulting from the competitions replace the fee schedule amounts for the bid items in these areas.

CMS is conducting the Round 2 Recompetete for seven product categories in the same geographic areas that were included in Round 2. However, as a result of the Office of Management and Budget's updates to the original 91 Round 2 metropolitan statistical areas (MSA), there are now 90 MSAs for the Round 2 Recompetete. The Round 2 Recompetete CBAs have nearly the same ZIP codes as the Round 2 CBAs. However, certain ZIP codes have changed since Round 2; CMS has updated the CBAs to reflect the changes. Additionally, CBAs that were located in multi-state MSAs have been defined so that no CBA is included in more than one state. A list of the ZIP codes included in each CBA is also available on the Competitive Bidding Implementation Contractor ([CBIC](#)) website.

As in the initial Round 2 competition, CMS is conducting the national mail-order recompetete for diabetic testing supplies simultaneously. The national mail-order recompetete will include all parts of the United States, including the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa.

Timeline

12/18/2014*

Registration for user IDs and passwords opens

1/6/2015*

Authorized Officials are strongly encouraged to register no later than this date

1/20/2015*

Backup Authorized Officials are strongly encouraged to register no later than this date

1/22/2015*

CMS opens bid window for Round 2 Recompetete and national mail-order recompetete

2/17/2015*

Registration closes

2/23/2015*

Covered Document Review Date for bidders to submit financial documents

3/25/2015*

Bid window closes

Winter 2016*

CMS announces single payment amounts, begins contracting process

Spring 2016*

CMS announces contract suppliers, begins contract supplier education campaign

Spring 2016*

CMS begins supplier, referral agent, and beneficiary education campaign

July 1, 2016*

Implementation of Round 2 Recompete and national mail-order recompete contracts and prices

**Dates listed are target dates*

Round 2 Recompete Product Categories

- Enteral Nutrients, Equipment and Supplies
- General Home Equipment and Related Supplies and Accessories
 - includes hospital beds and related accessories, group 1 and 2 support surfaces, commode chairs, patient lifts, and seat lifts
- Nebulizers and Related Supplies
- Negative Pressure Wound Therapy (NPWT) Pumps and Related Supplies and Accessories
- Respiratory Equipment and Related Supplies and Accessories
 - includes oxygen, oxygen equipment, and supplies; continuous positive airway pressure (CPAP) devices and respiratory assist devices (RADs) and related supplies and accessories
- Standard Mobility Equipment and Related Accessories
 - includes walkers, standard power and manual wheelchairs, scooters, and related accessories
- Transcutaneous Electrical Nerve Stimulation (TENS) Devices and Supplies

A list of the specific items in each product category is available on the [CBIC](#) website.

Review and Update Enrollment

Suppliers must maintain accurate information on their CMS-855S enrollment application with the National Supplier Clearinghouse (NSC) and in the Provider Enrollment, Chain, and Ownership System (PECOS).

- Contact information (name, Social Security number, and date of birth) for authorized official(s) and correspondence address.
- Products and services furnished by the enrolled location(s).
- Each state in which the enrolled location(s) provides items and services.
- Complete listing of authorized officials.

If you have only one authorized official listed on your enrollment record, consider adding one or more eligible authorized officials to help with registration and bidding.

It is important to note that if your enrollment record is not current at the time of registration, you may experience delays and/or be unable to register and bid. We will also validate your bid data with your enrollment record in PECOS during bid evaluation. If it is not accurate, your bid may be disqualified.

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