

# Medicare Competitive Bidding Program Overview

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# COMPETITIVE BIDDING PROGRAM

- Impacts Medicare beneficiaries only
- Mandated by Medicare Modernization Act (2003)
- Pilot programs completed
- Reduce Medicare expenditures for durable medical equipment & supplies
- Round one implemented
- Round two scheduled for 2013



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# ROUND ONE

## Metro Areas

Charlotte	Cincinnati	Cleveland
Dallas	Kansas City	Miami
Orlando	Pittsburgh	Riverside

## Product Categories

Enteral feeding supplies  
CPAP devices  
Hospital beds  
Support surfaces  
Walkers & accessories

Oxygen equipment & supplies  
Mail order diabetic supplies  
Complex rehab power wheelchair  
Standard power wheelchairs



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# ROUND ONE

- Impact Medicare beneficiaries only
- Implemented January 2011
- Contracts awarded for several suppliers for each product category
- Contract suppliers must accept assignment for all products within a category
- Contract suppliers must supply product specified by the physician
- Equipment & supplies included within each product category must be furnished by contract suppliers



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# ROUND ONE

## List of Contract Suppliers:

- [www.medicare.gov](http://www.medicare.gov)

Click on “Resource Locator”

Select “Medical Equipment and Supplies

- 1-800-MEDICARE



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# ROUND TWO

- Additional 91 metro areas
- Includes all product categories from Round One
- Expect additional product categories
- Anticipated implementation: mid 2013



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# BENEFICIARY IMPACT

- Must obtain product from contract suppliers
- May need to change suppliers
- Possible need to use multiple suppliers
- Lower Medicare allowables will result in lower co-pays



# BENEFICIARY IMPACT

## Beneficiary Safeguard

- Sometimes called Physician Authorization Process
- Ensure access to specific brands or modes of delivery
- Allows physician to order specific brand or mode of delivery to avoid adverse medical outcome
- Physician document in medical record:
  - Product name or mode of delivery
  - Unique features vs. alternatives
  - Explanation why features are necessary to avoid adverse outcomes



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# PROBLEMS?

Report problems/issues:

Medicare

- [www.competitivebiddingconcerns.com](http://www.competitivebiddingconcerns.com)
- Contact Medicare at 1-888-990-0499



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