



Provider Inquiry Assistance

Important Medicare Information about DMEPOS Supplier Accreditation and the Round 1 Rebid of the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program – JA0925

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Contractors Affected DME Medicare Administrative Contractors (DME MACs)

Provider Types Affected Suppliers that furnish Medicare Part B DMEPOS to Medicare beneficiaries



- MLN Matters® article SE0925 reminds DMEPOS suppliers enrolled with the National Supplier Clearinghouse (NSC) that they are required to obtain accreditation by October 1, 2009, unless exempt, and obtain a surety bond by October 2, 2009.
- Suppliers must be accredited for a product category in order to submit a bid for that product category.
- The Centers for Medicare & Medicaid Services (CMS) will not accept bids from and will not contract with suppliers that are not accredited by a CMS-approved accreditation organization for the applicable product categories.

Voluntary and Non-voluntary Terminations/Enrollments

Provider Needs to Know...

- Medicare suppliers of DMEPOS, unless exempt, must be accredited and obtain a surety bond by October 1, 2009, and October 2, 2009, respectively.
- If a supplier has made the decision not to obtain accreditation or a surety bond when required, the supplier may want to voluntarily terminate his enrollment in the Medicare program before the implementation dates above.

- The supplier can voluntarily terminate their enrollment with the Medicare program by completing the sections associated with voluntary termination on page 4 of the Medicare enrollment application (CMS-855S).
- Once complete, the application should be signed, dated, and sent to the NSC. By voluntarily terminating their Medicare enrollment, the supplier will preserve their right to re-enroll in Medicare once they meet the requirements to participate in the Medicare program.
- If the supplier does not comply with the accreditation and surety bond requirements and does not submit a voluntary termination, their Medicare billing privileges will be revoked. A revocation will bar them from re-enrolling in Medicare for at least one year after the date of revocation.
- Suppliers who do not plan to stay enrolled in Medicare are strongly encouraged to notify their beneficiaries as soon as possible so the beneficiary can find another supplier.

Accreditation

- In a previous MLN Matters® article (SE0903), CMS informed suppliers of the importance of accreditation and the consequences of not being accredited on or before September 30, 2009. That article is at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0903.pdf> on the CMS website.
- If a supplier has already been notified by an approved accrediting organization that each of its practice locations has been accredited, the accreditation organization will notify the NSC that its DMEPOS supplier practice locations have been accredited. However, DMEPOS suppliers who obtained accreditation after September 1, 2009, but before October 1, 2009, should submit proof of accreditation to the NSC via submission of an amendment to their CMS-855S.
- Further information on the DMEPOS accreditation requirements along with a list of the accreditation organizations and those professionals and other persons exempted from accreditation may be found at http://www.cms.hhs.gov/MedicareProviderSupEnroll/01_Overview.asp on the CMS website.

Accreditation and DMEPOS Competitive Bidding

- Suppliers choosing to participate in the DMEPOS Competitive Bidding Program must be accredited for a product category in order to submit a bid for that product category.
 - CMS will not accept bids from and will not contract with suppliers that are not accredited by a CMS-approved accreditation organization for the applicable product categories.
 - **GET LICENSED:** Suppliers submitting a bid for a product category in a competitive bidding area (CBA) must meet all DMEPOS state licensure requirements and other applicable state licensure requirements, if any, for that product category for every state in that CBA. Prior to submitting a bid for a CBA and product category, the supplier must have a copy of the applicable state licenses on file with the NSC. As part of the bid evaluation, CMS will verify with the NSC that the supplier has on file a copy of all applicable required state license(s).
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- **GET ACCREDITED:** Medicare DMEPOS suppliers, unless exempt, must be accredited by October 1, 2009. Suppliers must be accredited for a product category in order to submit a bid for that product category. CMS will not accept bids from and will not contract with suppliers that are not accredited by a CMS-approved accreditation organization for the applicable product categories.
- **GET BONDED:** Medicare DMEPOS suppliers, unless exempt, must obtain and submit a surety bond by October 2, 2009. Suppliers subject to the bonding requirement must be bonded in order to bid in the DMEPOS competitive bidding program. A list of surety companies from which a bond can be secured is found at the Department of the Treasury's "List of Certified (Surety Bond) Companies." The website is located at http://www.fms.treas.gov/c570/c570_a-z.html on the Internet. When submitting the DMEPOS surety bond to the NSC, suppliers are required to submit Sections 1, 2A1, 12, and either 15 (if they are the Authorized Official (AO)) or 16 (if they are the delegated official) of the CMS-855S. By submitting the required sections of the CMS-855S, suppliers will help to ensure that the NSC is able to correctly associate their DMEPOS surety bond to their enrollment record.

Accessing the Processes for the Round 1 Rebid

- On August 3, 2009, CMS issued the bidding timeline for the Round 1 Rebid of the DMEPOS competitive bidding program and initiated a comprehensive bidder education campaign.
- The CMS contractor, Competitive Bidding Implementation Contractor (CBIC), is the focal point for bidder education.
- Suppliers should visit the CBIC's dedicated website, <http://www.dmecompetitivebid.com/>, for important information, including bidding rules, user guides, frequently asked questions, policy fact sheets, checklists, and bidding information charts.
- The CBIC toll-free help desk's phone number (1-877-577-5331) is open to help bidders with all of their questions and concerns.
- All suppliers interested in bidding are urged to sign up for e-mail updates on the home page of the CBIC website.
- The Round 1 Rebid will result in significant changes in the way Medicare pays for certain types of DMEPOS. It is critical that suppliers understand the process and what it takes to be eligible to bid.
- In prior communications, CMS has described the processes for registering to use CMS systems. (See the MLN Matters® article SE0915 at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0915.pdf> on the CMS website.)
- For the Round 1 Rebid, it is imperative that suppliers register so they will be able to participate in the bidding process for the categories of DMEPOS to be obtained **only** through the competitive bidding program.

Round 1 Rebid Registration Milestones

- Suppliers should be well into, if not completely through, this registration process.
- Registering now allows the AO and/or Backup AO (BAO) time to correct the supplier's NSC records if their name, date of birth, and Social Security number (SSN) does not match what is on file with NSC.
- **CMS recommends that BAOs register no later than October 9, 2009, so that they will be able to assist AOs with approving End User (EU) registration. Registration will close on November 4, 2009, at 9:00 p.m. EST (no AOs, BAOs, or EUs can register after registration closes).**
- The legal name, date of birth, and SSN of the AO and BAOs must match what is on file with the NSC in order to register successfully.
- To register, suppliers should go to <http://www.dmecompetitivebid.com/> on the CBIC website.
- If suppliers have not started this process, they should review the *Individuals Authorized Access to the CMS Computer Services (IACS) Reference Guide* at [http://www.dmecompetitivebid.com/Palmetto/Cbic.nsf/files/IACS_Reference_Guide.pdf/\\$File/IACS_Reference_Guide.pdf?Open&cat=Suppliers](http://www.dmecompetitivebid.com/Palmetto/Cbic.nsf/files/IACS_Reference_Guide.pdf/$File/IACS_Reference_Guide.pdf?Open&cat=Suppliers) for step-by-step instructions on registration. The CBIC website also has the following useful tools:
 - A registration checklist;
 - Quick Step guides; and
 - Frequently asked questions (FAQs).
- All suppliers interested in bidding are urged to sign up for E-mail Updates on the home page of the CBIC website. If they have any questions about the registration process, please contact the CBIC Customer Service Center at 1-877-577-5331.
- The target deadline for AOs interested in participating in the Round 1 Rebid to register was September 14, 2009. If a supplier is an AO who has not yet registered, **they should DO IT TODAY** (visit <http://www.dmecompetitivebid.com/> to register).

Background

- Critical changes are coming that will affect the way Medicare pays for DMEPOS and how Medicare determines who can bill for DMEPOS.
- Whether or not a supplier plans to remain as a Medicare supplier, it is recommended that they review this information.

**Operational
Impact**

N/A

Reference
Materials

The related MLN Matters® article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0925.pdf> on the CMS website.

For more information on the DMEPOS competitive bidding program, visit <http://www.cms.hhs.gov/DMEPOSCompetitiveBid/> on the CMS website.

For additional information regarding DMEPOS accreditation or the provisions associated with a surety bond, go to <http://www.cms.hhs.gov/MedicareProviderSupEnroll> on the CMS website.

FAQs on the surety bond requirement can be found on the NSC's FAQ page at <http://www.palmettoqba.com/nsc> on the Internet.
