

Award of
Durable Medical Equipment Medicare Administrative Contractor
(DME MAC)
Contract for Jurisdiction A

- On December 16, 2015, the Centers for Medicare & Medicaid Services (CMS) announced that Noridian Healthcare Solutions, LLC (Noridian), has been awarded a new contract for the administration of Medicare Fee-for-Service claims for durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) in Jurisdiction A.
- The Jurisdiction A DME MAC serves Medicare beneficiaries who reside in the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont, and the District of Columbia. The area is depicted in gray shading in the map below.



- Under this contract, Noridian will process and pay Medicare DMEPOS claims; process redetermination requests; respond to supplier inquiries; perform supplier outreach and education; and, review claims for medical necessity. Noridian will begin processing Jurisdiction A claims in May 2016 from its offices in Fargo, ND.
- Jurisdiction A includes over 8.2 million Medicare Fee-for-Service beneficiaries. The Jurisdiction A DME MAC will serve approximately 20,000 Medicare DMEPOS suppliers. This jurisdiction comprises nearly 18% of the overall national Medicare Fee-for-Service DMEPOS claims volume.
- The Jurisdiction A DME MAC contract includes a base year and four option years, for an anticipated duration of five years. The contract is a “cost plus award fee” contract; the award fee will be earned only if the contractor exceeds the base requirements of the contract.

- Inclusive of all options, the new Jurisdiction A DME MAC contract has a total estimated value of approximately \$90.9 million over five years.
- CMS will oversee the transfer of DME MAC work from the incumbent contractor, NHIC, Corp. (NHIC), to Noridian over the next several months. NHIC is based in Hingham, MA.
- CMS anticipates that implementation of the new contract will go smoothly, with few, if any, service issues for Medicare beneficiaries and suppliers.
- Medicare DMEPOS suppliers serving Jurisdiction A beneficiaries should continue to submit their claims to NHIC until CMS completes the transition of Jurisdiction A operations to Noridian.
- CMS has stringent standards for contract performance on these contracts and measures performance through a variety of processes, including on-site oversight, data reviews and protocol-driven quality assurance reviews, as well as independent audits. As CMS continues to use the competitive process to select claims administration contractors, past performance and technical understanding requirements are major evaluation factors.
- Questions about the contract award should be directed to Salem Fussell in CMS' Office of Acquisition and Grants Management. Mr. Fussell may be reached at 410-786-8859 or at Salem.Fussell@cms.hhs.gov.