

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

- On September 2, 2010, the Centers for Medicare & Medicaid Services (CMS) announced that National Government Services, Inc. (NGS) has been awarded the contract for the administration of Medicare fee-for-service claims for durable medical equipment (DME), prosthetics, orthotics, and supplies in Jurisdiction B.
- Jurisdiction B serves Medicare beneficiaries who reside in the states of Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin, and Kentucky.
- Subcontractors to NGS on this award are Allison Payment Systems and Mayer Hoffman McCann (MHM).
- This contract award concludes the first re-competition of a Medicare Administrative Contractor (MAC) contract awarded under the competitive contracting provisions of the Medicare Prescription Drug, Improvement and Modernization Act of 2003. The original DME MAC contract for Jurisdiction B was awarded in January 2006 to NGS.
- Further re-competitions of the initial set of MAC contracts are currently underway.
- CMS has learned a tremendous amount from the early implementations of the specialized DME MAC contracts, and has applied the lessons learned and administrative improvements to continue optimizing the administration of the original Medicare program.
- 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 to the contract requirements is a major evaluation factor.
- The DME MAC Jurisdiction B contract has a total estimated value of approximately \$86.7 million over five years.
- As NGS is the incumbent contractor for DME MAC Jurisdiction B, CMS anticipates that implementation of the new contract will go smoothly, with few (if any) disruptions in service for Medicare beneficiaries and DME suppliers.
- Questions about the contract award should be directed to Jaime Galvez in CMS' Office of Acquisition and Grants Management. Mr. Galvez may be reached at 410-786-5701 or at Jaime.Galvez@cms.hhs.gov.