

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

- On February 16, 2011, the Centers for Medicare & Medicaid Services (CMS) announced that Noridian Administrative Services, LLC (NAS) 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 D.
- Jurisdiction D serves Medicare beneficiaries who reside in states and territories of Alaska, American Samoas, Arizona, California, Guam, Hawaii, Idaho, Iowa, Kansas, Missouri, Montana, Nebraska, Nevada, North Dakota, Northern Mariana Islands, Oregon, South Dakota, Utah, Washington, and Wyoming.
- The Subcontractor to NAS on this award is MEC Technologies, LLC for the performance of one-hundred percent of the supplier telephone inquiries.
- This contract award concludes the second 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 D was awarded in 2006 to NAS.
- 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 and technical understanding requirements are major evaluation factors.
- The DME MAC Jurisdiction D contract has a total estimated value of approximately \$86.2 million over five years.
- As NAS is the incumbent contractor for DME MAC Jurisdiction D, 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.