

Centers for Medicare & Medicaid Services
Special Open Door Forum:
Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies
(DMEPOS) Competitive Bidding Program Bidders' Conference-
Bid Submission Process

Wednesday, October 7, 2009
2:00 pm – 3:00 pm Eastern Time
Conference Call Only

Please join us for the sixth in a series of eight Special Open Door Forum (ODF) bidders' conferences for the Round 1 Rebid of the Medicare durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) competitive bidding program. At this Special ODF, we will walk through the bid submission process. This will include discussions about Forms A and B on the on-line bid submission system, hardcopy documents required, bidder sheets, location specific information, and helpful tools provided for bidders.

The PowerPoint presentation for this Special ODF is now available on the Competitive Bidding Implementation Contractor (CBIC) web site. We encourage those who will be participating to print out the PowerPoint presentation before the Special ODF. For more information on this presentation and other educational activities, please visit the CBIC web site, <http://www.dmecompetitivebid.com/>

Background:

On August 3, 2009, the Centers for Medicare & Medicaid Service (CMS) issued the bidding timeline for the Round 1 Rebid of the DMEPOS competitive bidding program and initiated a comprehensive bidder education campaign. CMS' Competitive Bidding Implementation Contractor (CBIC) is the focal point for bidder education. Please visit the CBIC's dedicated website, 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, 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.

We look forward to your participation.

Special Open Door Participation Instructions:

Dial: 1-800-837-1935 & Reference Conference ID: 23045692

Note: TTY Communications Relay Services are available for the Hearing Impaired. For TTY services dial 7-1-1 or 1-800-855-2880. A Relay Communications Assistant will help.

An audio recording of this Special Forum will be posted to the Special Open Door Forum website at http://www.cms.hhs.gov/OpenDoorForums/05_ODF_SpecialODF.asp and will be accessible for downloading beginning Monday, October 19, 2009.

For Open Door Forum schedule updates, E-Mailing list subscriptions, and to view Frequently Asked Questions please visit our website at <http://www.cms.hhs.gov/opendoorforums/>.

Thank you for your interest in CMS Open Door Forums.

Audio file for this transcript:

<http://media.cms.hhs.gov/audio/DMEPOSCompetBid100709.mp3>

**Centers for Medicare & Medicaid Services
Special Open Door Forum:
Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies
Competitive Bidding Program- Bid Submission Process
Moderator: Natalie Highsmith
October 7, 2009
2:00 pm ET**

Operator: Good afternoon. My name is Louisa and I will be your conference operator today.

At this time, I would like to welcome everyone to the Centers for Medicare & Medicaid Services Special Open Door Forum on Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Competitive Bidding Program.

All lines have been placed on mute to prevent any background noise. After the speakers' remarks, there will be a question-and-answer session. If you would like to ask a question during this time, simply press star then the number 1 on your telephone keypad. If you would like to withdraw your question, press the pound key.

Thank you.

Natalie Highsmith, you may begin your conference.

Natalie Highsmith: Thank you, Louisa, and thank you, everyone, for joining for the sixth in our series of eight Special Open Door Forums on the Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) Competitive Bidding Program Bidders' conference today. Staff will talk about the bid submission process, including discussions about Forms A and B, on the online bid submission system, the

hardcopy documents required, bidder sheets, location of specific information, and other tools provided for bidders.

Also just to remind everyone that the PowerPoint presentation for today is posted on www.dmecompetitivebid.com.

I will now turn the call over to Ms. Martha Kuespert.

Martha?

Martha Kuespert: Thanks Natalie. Hello, everyone, and thank you all for joining us today. We hope you'll find today's session both helpful and informative.

Before we begin today's presentation, though, we do have some information we would like to share with you.

First, at the last Open Door Forum Bidders Conference, several callers had questions about that bona fide bid review process that is part of the bid evaluation.

Now, we have received some additional questions since the call, so we'd like to recap the bona fide bid process again just to make sure that it's clear for everyone.

The term bona fide generally means in good faith, sincere, or legitimate. The competitive bidding program regulations require that each supplier must submit a bona fide bid that complies with all of the terms and conditions contained in the request for bids.

To ensure that we only award contracts to suppliers that submit bona fide bids, the bid evaluation includes a process to identify and

eliminate irrational, infeasible bids, bids that are so low that it would be impossible for the bidder to furnish the item at the bid price.

This process is completed after all other eligibility screens and before we identify the single payment amount. In the bona fide bid review process, we screen the bids using statistical measures. The screen is based on the bids submitted for each item and not on other factors like retail prices.

If a bid is identified through this screening process as extremely low in relation to other bids, we will evaluate that bid further. We may ask the bidder to give us additional information to make sure that the bidder can actually furnish the item at the bid price.

When we contact a bidder about a potentially non-bona fide bid, it is the bidder's responsibility to provide sufficient information to prove that it can furnish the item at the bid price. This should include, at a minimum, a brief description of the rationale for the bid along with financial documentation to support the rationale.

At the last Open Door Forum, we indicated that manufacturers' invoices are one type of documentation that can be used in support of a bid. We would like to be very clear that this is just one example. Bidders can submit other types of documentation to provide a complete picture of the cost of furnishing the item.

Depending on the particular circumstances of a particular bid, a manufacturer's invoice may not be sufficient to support the bid.

Once we receive the bidder's information, there are two possible outcomes. If we determine that a bid for any item is not bona fide, the supplier is eliminated from competition for the entire product category in the competitive bidding area. However, if the bidder proves that it

can furnish the item at the bid price, it will be eligible for consideration as a contract supplier and will be in the array from which the single payment amount is identified.

All of the bids in the array from which the single payment amounts are identified are qualified bids. The bidders meet all eligibility, quality, and financial standards; are accredited and licensed; and the bids are bona fide.

As we discussed last week, the single payment amount is the median of qualified bids at or below the pivotal bid.

I hope this recap makes the bona fide process clear to everyone.

We would also like to provide a brief recap of some accreditation requirements. Lorrie Ballantine, the Acting Deputy Director for the Division of DMEPOS Policy, will provide this information.

Lorrie?

Lorrie Ballantine: Thank you, Martha.

At the last Open Door Forum, several callers had questions about product-specific accreditation and we would like to recap the requirements for product specific accreditation.

CMS has provided the accreditation organization with a listing of 73 distinct products for which a DMEPOS supplier may be accredited to provide. When the accreditation organization sends CMS proof of accreditation, they identify the specific code that corresponds with the specific or product or products that a supplier is accredited to provide.

Suppliers must identify all products that they plan to provide to Medicare beneficiaries to the accreditation organizations at the time of application in order to be accredited for that product.

For example, if a supplier provides oxygen, CPAP, and RAD, they must tell the accreditation organization that they provide all three items and they must receive accreditation for all three products.

To bid in the Competitive Bidding Program, suppliers must have the appropriate product-specific accreditation for each product category that is bid.

All competitive bid product categories are identified in the list that was given to the AUs.

So that's all. Thank you. Okay, turn this back to Martha.

Martha Kuespert: Okay. Thanks Lorrie.

Now on to the discussion of today's topic -- as with the previous sessions, we would like to encourage everybody to submit feedback and comments about this Special Open Door Forum Bidders' Conference.

If you want to submit a comment please send us an e-mail addressed to cbic.admin@palmettogba.com. This e-mail address is on the last slide of today's PowerPoint presentation.

Cindy Dreher, the policy and content lead for the Competitive Bidding Implementation Contractor or CBIC will once again be providing today's presentation.

So I will the phone over to Cindy.

Cindy Dreher: Thanks, Martha and good day everybody and thanks for joining us today.

As Natalie said, we're going to talk about the bid submission process today. You can find a schedule for the next two calls that are in this series on our website. The next call will be next to the Wednesday, October 14, at 3:30 when we'll respond to bidding questions that have been previously submitted and we'll also open the, open up the phone lines to take your questions. There's going to be no formal presentation. This is just a time when we'll respond to questions on any topic relating to the bidding process where you need assistance.

So if you want to submit general questions that will be answered during the call, then send us questions to cbic.teleconference@palmettogba.com.

If you have specific questions about your organization, then just give us a call or send us an e-mail to our regular e-mail address. As a reminder, for these Special Open Door Forums, you don't need to register ahead of time. Just call the conference number and provide the code.

Also, I encourage you to review the resources and the tools that we'll post on the website shortly that are of particular relevance to today's topic, specifically DBidS reference guide. We also have a - we'll have a new feature on our website that alerts you to new web-postings.

At the conclusion of this presentation, we're going to open up the phone lines to take your questions about the bidding process discussed today. If you've got any questions on other topics, then please hold those for the next call or you can call our customer service center or e-mail us.

An audio cast and a transcript of each one of these calls will also be posted on the website. And, of course, please call our Customer Service Center if you need assistance or have any questions.

And I'm going to provide all of this contact information for you at the end of the presentation.

Just as a quick reminder, time is running out for registration, which is less than one month. So if your authorized official has already registered, but you don't have a backup authorized official registered, then we strongly encourage that a backup authorized official register no later than this Friday, October 9. And this is important because the backup authorized official will be able to help the authorized official with approving end-user's registration.

It's also important if you have a backup authorized official registered to avoid any interaction in the bidding process once the bidding window opens. That backup authorized official can assume the authorized official's role if for any reason the authorized official can no longer fulfill his or her bidding responsibilities.

So if there's no BAO or Backup Authorized Official for your company and the AO or authorized official leaves the company or is unable to participate, then all end users associated with your company will lose access to the bidding system.

So if your authorized official for your company has not registered, then we can't guarantee that he or she will be able to complete the registration process before the registration concludes or closes, especially if you need to update any of your records with the National Supplier Clearinghouse or the NSC.

Also suppliers whose authorized officials don't register run the risk of experiencing delays in accessing the online bidding system to get a bidder number and might also miss an opportunity to submit the financial documents by the covered document review date.

So it's important to register now. And registration's going to close as I said on November 4 at 9 pm for everybody. No authorized officials, backup authorized officials, or end users can register after registration closes.

So if you haven't already registered, you just go to the website, click on suppliers, and then choose registration. And there are also numerous tools on the website to assist you with the registration process. But, of course, please call us if you have any questions.

Page 2 -- During the next 30 to 45 minutes or so, I'm going to explain how to complete the bid submission process in the online bidding system, which is referred to as DBidS or the DMEPOS Bidding System.

The information we cover today is also in the DBidS reference guide, which will be posted to the website very soon under Bidding Process. So please carefully review this information, as well as the request for bid or the RFB instructions before you complete your application and submit your bid.

There will also be a getting started checklist on the Web site that you can use to gather all of the needed information before you start completing your forms.

If you use this checklist, then we think it should save you some time completing your bid.

The first topic on today's agenda is the elements that make up the bid. And then I'll briefly recap the hardcopy document requirements that were discussed during previous calls. Then I'll highlight some of the key components of Form A, such as describing your business organization, indicating the product categories and competitive bidding areas or the CBA for which you're submitting a bid and providing specific information for each location.

Then I'll discuss the bid sheet and how to complete the manufacturer model name and model number on Form B, and conclude by pointing out some important reminders.

Page 3 -- A bid consists of Form A and Form B, which are completed on the online bidding system or DBidS, and the required hardcopy documents. Please be sure to complete all sections of DBidS and submit all of the required documents. It's very important that you complete and submit a total, complete bid because we can only accept complete bids.

Page 4 -- As we discussed on previous calls, it's important to take advantage of the covered document review process and send your financial documents in by that covered document review date, which is targeted for November 21, because the bid window is targeted to open on October 21.

And when you submit your documents for the covered document review process, make sure that these are final documents. Don't send draft documents.

Remember, too, that the covered document review process is only to determine if any of the required financial documents are missing, not to determine if they're accurate or complete or otherwise comply with program requirements.

The hardcopy documents must be mailed to us as one package. You can find the address, the mailing address, in the RFB that's on the website.

But you must first complete Form A. So you can't submit your hardcopy documents until you complete Form A because you have to indicate your bidder number on each page. You get your bidder number when you complete Form A.

Each page must be identified by your bidder number to ensure that the documents are connected to the appropriate online bid. And you'll find the list of required hardcopy documents in the RFB and the other tools on the website.

With the sole exception of missing financial documents identified through the covered document review process, you're not permitted to submit any documents or amend or revise your bid in DBidS after bidding closes.

All packages must include three financial statements and the tax return extract, which is outlined in the RFB instructions and the credit report and score- and remember that this score must be a numerical score unless you're using Standard & Poor's, and Standard & Poor's uses an alpha score.

If you're bidding as a network, then your package must also include the signed legal contract among all of the network members and a signed certification statement from each member of the network. Now, the primary network supplier is responsible for gathering all of the required hardcopy documents and submitting them as one package.

If you intend to use a subcontractor to expand your business by providing one or more of the permitted services, then you must include the signed letters of intent to enter into an agreement.

If applicable, then you must also include any settlement agreements and corporate integrity agreements in your document package. Remember, we only need the documents that are detailed in the RFB.

And please send these documents in a loose page format. Don't put them in a binder or a presentation folder or put paperclips on them or that kind of thing. Just send what we need in a loose format.

Page 5 -- Form A of the application requests general information about you as an individual supplier, an institutional provider, or as a network. In most situations, you only complete one Form A that includes all locations, network members, CBAs and product categories.

However, if you're going to bid as different entities such as an individual supplier for one product category and as a member of a network for a different product category, then you're going to submit a separate Form A for each bidding entity as well as separate financial documents.

But most bidders are going to complete one Form A and submit one hardcopy package, regardless of how many bids you submit. If you have multiple locations or locations that are commonly-owned or controlled, then you must list on Form A all commonly-controlled or commonly-owned locations that would furnish items from the same product category in the same CBA for which you're submitting a bid.

Now this includes locations that are physically located outside of the CBA, as well as locations physically located within the CBA. If you

have commonly owned or controlled locations that don't provide any of the items within a product category either to Medicare or non-Medicare customers, then don't include these locations on the bid for that product category.

For example, if you have one location that's a pharmacy and only provides enteral nutrition products and then you have another location that only provides Durable Medical Equipment (DME) items, then separate bids using separate Form As must be submitted to the pharmacy location and for the DME location.

If you are bidding as part of the network, then the primary network supplier will complete one Form A and provide all of the required information, including the hardcopy documents, for each member of the network and its locations.

Again, in almost every case, you'll only complete one Form A regardless of the number of product categories or the number of CBAs that you're bidding on.

Form A must be completed and approved by the authorized official or your backup authorized official before you can proceed to Form B. Again, it's important to note that Form A must be completed and approved before you can submit your hardcopy documents because Form A assigns you a bidder number. And that bidder number must be on each page of your hardcopy documents.

Page 6 -- Now let's go through some of the screens on DBidS. On the first screen, you'll be asked to enter your business's legal business name and identify your business organization bidding type.

You've got three options -- one, a supplier with only one location and not bidding as a member of a network or two, a supplier with more

than one location and not bidding as a member of the network, or three, a network supplier.

If you select network supplier, then a box will appear where you will be requested to enter the name of your network. You'll also indicate on this screen whether you're bidding as a specialty supplier and only skilled nursing facilities and nursing facilities are eligible to bid as specialty suppliers and only if they intend to provide bid items to just their residents.

If you indicate yes, then the system will only allow you to bid on the enteral nutrition product category. This is the only bid item that SNFs and NFs can furnish to their residents under Part B.

If you are a SNF or a NF and answer no and are awarded a contract, then you will be expected to provide the bid items, which items in the enteral product category, to any Medicare beneficiaries throughout the CBA. If you need additional information, there's a fact sheet on specialty suppliers on the website.

Under the accreditation section, you'll indicate whether all of the locations that will be included on Form A are accredited. Now as Lorrie said, each location must meet quality standards and be accredited in order to submit a bid and be awarded a contract. This includes meeting all product-specific quality standards. Pending accreditation is not allowed.

Before we leave this screen, I want to point out the icon in the upper right-hand corner of each question. It looks like a small letter "i" in a blue box. If you click on this icon, you'll find additional information that will assist you with providing the answers to these questions.

Page 7 -- now continuing on the same screen, you'll be asked to identify the competitive bidding areas and the product categories for which your organization is submitting a bid.

Later on in the application, you're going to be required to identify the CBAs and product categories associated with each of your locations. So you must select a minimum of one CBA and one product category.

If you don't do this, then the CBA and the product category's not going to display later in the application when you must select the product category and CBA for each location.

Each CBA is going to be listed twice with either a mail order or non-mail-order indicator. The product categories that will appear after the CBA is chosen depend upon the CBA selection that you made. So if you select a CBA with mail order only indicated, then only the diabetic supplies product category will appear.

If you select a CBA with the non-mail-order indicated, then all of the product categories except diabetic supplies will appear. And then support service product category will only appear if the Miami CBA is selected.

Specialty suppliers may only bid on enteral and enteral's not included in mail order CBAs. So if you're a SNF or a NF and you previously selected specialty supplier and then you select mail-order CBA, then no product category will appear.

Remember, specialty suppliers may only bid on enteral and enteral's not included in the mail-order CBA.

When you complete this section, or any section in DBidS, it's always a good idea to click "save" or "next" at the bottom of the screen. Don't

attempt to save by hitting enter on your keyboard because this will cause the screen to reset and your information will be lost.

Page 8 -- on Form A, you are also required to provide specific information for each location. And remember, all locations, and that includes those that are commonly- owned or controlled, must be included on Form A. If a location provides the items in the product category to beneficiaries in the CBA, then that location must be on Form A. And only the locations that are provided on Form A will be included in the contract offer. Offer -- excuse me.

The first time you see this screen, the legal business name well as the NSC number you provided when you were registered in IACS will appear. And it's outlined in the box in the center of the screen. You should respond to the questions in this section for the location that's identified by the NSC number that appears on this screen.

Under the physical address section, if the mailing address for this location is the same as physical address for this location, then you just simply check the box and go on to the next question. The physical address should be the same as the physical address on file with the National Supplier Clearinghouse or the NSC. And cannot be a physical - it has to be a physical address. It cannot be a post office box number. It must be a physical address.

And the rest of this section continues on the next page, so let's go to page 9.

Again, you're providing information for the location that's identified by the NSC number on the screen. You will see there's a field for "Doing Business As". If you have a DBA or a "Doing Business As" name that is different from the legal name of your company, then list it

here. If you indicate a DBA here, then you also need to make sure that NSC has this DBA, too.

You will be asked how long this specific location has been in business. This may or may not be the same time frame the business has been billing Medicare and it's not necessarily how long this particular location has been in its current location. It's how many years and how many months this particular establishment, which is now at this location, has been in existence and furnishing DMEPOS items to any customer.

For a type of business, you're going to see a drop down box with options such as corporation, sole proprietorship, nonprofit, and so forth. If you click on the help icon, a little "i" in the blue box for this question, then you'll find definitions for the business types.

You'll also be asked if this specific location has ever been sanctioned. If you select yes, then you'll need to enter a brief description of any previous or current sanctions.

Page 10 -- Now on this screen, you're going to select the accrediting organizations and status for this specific location. When you select the accreditation status as being accredited, then you'll see drop down boxes with the product categories.

Enter the issue and the expiration date next to the product category. The expiration date can not exceed three years from the issue date. Otherwise you're going to get an error message.

Page 11 -- On this screen, you'll see the competitive bidding area and the product category for this specific location. Remember, you're completing information for the specific location identified by the NSC number on the earlier screen.

You can select more than one product category and CBA for that location. The CBAs and product categories that appear in the drop down box are based on the information that you previously provided.

If you didn't select at least one product category and one CBA, then nothing will appear and then you're going to have to go back and provide this information.

Once you choose the CBA from the drop-down box, click Select to display the product categories for this location and this CBA. Review the product category and then click Add CBA; it will save this information. And the data is going to appear in the CBA and Product Category List section that's below on this screen.

Page 12 -- If you have more than one location, then you will click Add Location to access the Additional Location screens. And you're going to repeat the process that we just described for each location, the business information, accreditation, CBA and product category selection, and so forth.

And I want to point out again that a supplier may include locations that are not physically located within a CBA or near the CBA. There is no per se requirement to have a location in a CBA to bid. However, a supplier must be able to furnish items to all beneficiaries in that CBA using existing locations. A supplier should not submit a bid unless it currently has the ability to furnish all items and services from a product category throughout the entire CBA.

Locations must meet all eligibility requirements; including having the applicable licenses at the time the bid is submitted. There is a licensure fact sheet on the Web site and there are licensure guides.

And these guides are only guides and only have licensure information for in-state locations. Suppliers with out-of-state locations should call the appropriate state licensing agency. And we've got contact information for these state licensing agencies on the guide.

So if you're planning to use contractors, subcontractors, or you're planning to use subcontractors to assist you in furnishing services, then please be aware that there are rules governing the use of subcontractors.

Subcontractors can't do everything. There are only specific things that subcontractors are permitted to perform. If you're planning on using subcontractors, then please check out the subcontractor fact sheet and the questions and answers that are posted on the Web site.

Page 13 -- So a network supplier is going to generally follow the same steps. The primary network supplier will enter its information first, including location-specific information, and then the primary network supplier will add the other members' information.

There's no limit to the number of additional locations that can be entered for each network member. However, the network is limited to 20 members. Again, the DBidS reference guide will include specific instructions and assistance on entering the information for a network.

Page 14 -- Once Form A is completed, then the authorized official or the backup authorized official must approve Form A before you can proceed to Form B. The user ID is the one that was assigned when the authorized official or the backup authorized official registered in IACS.

Also, once Form A is completed and approved, the system's going to sign you a bidder number. And the bidder number must be indicated on each page of your hardcopy documents.

Page 15 -- Now on to Form B -- You must complete one Form B for each product category and CBA combination. For example, if you're bidding on walkers and oxygen in Orlando, then you're going to complete two Form Bs, one for walkers in Orlando and another Form B for oxygen in Orlando.

There will be several questions specifically about providing this product category in the CBA such as revenue from the product category, customers served and the geographic area served.

If you're new to the area or new to the product category or otherwise plan to increase your capacity beyond your historical capacity under the Competitive Bidding Program, then you will need to complete the expansion plan in Form B.

And the information needed in this section was discussed during the call on September 22. You'll submit your bid amount and your estimated capacity for each item on this bid sheet on Form B and provide the manufacturer, model name and model number for the top HCPCS codes in the product category on Form B, too.

Page 16 -- When you access Form B, the CBA and the product category will have been populated with information that you provided on Form A.

On this screen, you should choose one CBA and click on select. Once you select the CBA, the product category for that CBA that you selected earlier will be displayed. You'll choose the applicable product category for that CBA and then click "Create Bid".

For example, if you're bidding on diabetic supplies in Kansas City, you would select the Kansas City mail-order CBA and then the diabetic supplies product category and then click "Create Bid".

The information you selected will then be displayed in the CBA /Product Category box below. So using our example, you would see Kansas City CBA and the diabetic supplies product category in this box.

Page 17 -- On Form B, you'll see a screen with questions about revenue generated, customers served, and geographic area served. You'll also see the expansion plan for those who plan to expand their business.

And then the bid sheet will appear. On the bid sheet, which is what you see on this page, you must enter the total estimated capacity and bid price or amount each HCPCS code.

Please carefully review the description and the item. Sometimes an item may be more than one single unit, such as in the case of diabetic testing strips, which is actually 50 strips.

For certain items in the oxygen product category, you're bidding on a payment class or a group of HCPCS codes. There are bidder charts or worksheets, which we discussed in an earlier Open Door Forum for each CBA on the website.

And these worksheets provide the same information that is on the bid sheet, as well as the number of items provided in 2008 and the number of beneficiaries who received these items in 2008. You may want to use these charts to help you in estimating your capacity or determining your bid amount.

Also, note that the third column on the bid sheet indicates whether the bid amount and estimated capacity you enter should be for the rental or the purchase of the item.

For the majority of items, you're bidding on the purchase of a new item. The only product category that requires a rental bid amount and estimated capacity is oxygen. For capped rental DME, the purchase bids will be used to calculate rental payment amounts for months 1 through 13 of the capped rental period.

The product weight is in the next column and that's the relative market importance of that item to other items within that product category. To calculate your estimated capacity, add the number of units that you currently furnish on a yearly basis in the CBA to any additional number of units you would be able to provide annually at the start of the contract period. Your reported estimated capacity should be for one year.

Remember, if you're new to the product category, new to the CBA or are otherwise planning to increase your capacity, then you need to complete an expansion plan on Form B.

The bid price or the bid amount must not exceed the fee schedule amount and must be bona fide -- that's feasible. And there's a bona fide bid fact sheet on the website, too.

If you need help completing this sheet, then click on the icon in the right-hand corner of the screen for additional information.

Page 18 -- on the manufacturer screen, you're going to see the top HCPCS codes for the specific product category in the CBA. You must provide a minimum of one entry per HCPCS code.

If you do not currently provide this item, then you should provide information for the item that you intend to furnish should you be awarded a contract. Click “Add” to enter additional manufacturers, model names and numbers for this HCPCS code.

The information that you provide on this screen will be displayed in the supplier directory on the Medicare website.

Page 19 -- The authorized official or the backup authorized official should read the certification statement carefully and then certify that the information provided in DBidS as well as in the hardcopy package is accurate and true.

The primary network supplier must print a certification statement for each member to sign and send the signed certification of all members with the network’s other hardcopy documents. Other bidders, those that are not in the network, are not required to submit a hardcopy certification statement.

Form B must be certified by either the authorized official or the backup authorized official. Therefore, the end users are not going to see the certification statement and they will be returned to the status page.

The user ID, again, is the authorized official’s or the backup authorized official’s IACS /DBidS user ID. If any modifications or revisions are made to Form B after it’s certified, then the authorized official or the backup authorized official must re-certify the bid.

Page 20 -- This screen indicates the status of Form A, Form B, and your hardcopy documents. Under Form A, you may see incomplete meaning missing required information, pending approval, which

means that Form A has not been approved by the authorized official or backup authorized official, or complete and approved, which means that Form A has been completed and it's been approved.

Under Form B, you will see incomplete, which means missing required information, or you might see pending certification, which means it has not yet been certified by the authorized official or backup authorized official, or you may see that Form B is complete and certified. If Form B is not certified, then the bid will not be evaluated.

Under documentation status, you'll see "Documentation Received" with either yes or no and displaying whether the CBIC has received the hardcopy package. The date received displays the date the CBIC received the hardcopy package. The indication that the documents have received is not an indication that the documents are complete and accurate -- only that they have been received.

Page 21 -- There are several issues that you need to pay close attention to. Be sure that you submit a bid amount and an estimated capacity as indicated in the units column on the bid sheet.

All items require a bid amount and an estimated capacity for the purchase of a new item except for the oxygen product category. For that product category, you're going to submit a bid amount and estimated capacity for the rental of the items by payment class.

As a reminder, your estimated capacity is the number of units per HCPCS code or payment class that you can provide annually throughout the CBA at the beginning of the contract period.

Bids for capped rental items must be for the purchase price, not the monthly rental price. The bid price for a purchase item must be based

on the purchase of a new item. And remember, the amount must be bona fide or feasible.

Make sure that your credit report has a numerical score. There must be a number on that report unless you use Standard & Poor's. The only credit bureau that has an alpha number or a letter is Standard & Poor's.

Again, please review your financial document requirements on the website. Carefully review your financial hardcopy documents to make sure that they are complete and that they are accurate. You can find financial document tips on the website, too.

Review your document package multiple times before you submit it to make sure that all of the required documents have been included in that package. And send your financial documents to us by the covered document review date so that we can review them, but remember, this review is only to verify what documents are missing and let you know if any documents are missing. Review does not apply to accuracy, completeness, or acceptability. And remember to put your bidder number on each page. Also, we encourage you to submit your document package in a way that you can verify delivery such as a signature or receipt request.

Page 22 – And again, some important resources for you. You can call the Competitive Bidding Program Customer Service Center at 1-877-577-5331 if you have any questions.

And we're open from 9:00 am to 9:00 pm Eastern Time Monday through Friday. As I discussed in the presentation, there are also many resources on the Web site that have been developed to assist you through the bidding process. So please, review these resources.

If you have questions about enrollment, accreditation, licensure, subcontracting or surety bonds, then please contact the NSC. Don't call us or e-mail us because we can't help you with these types of questions and it will just slow down the process of your getting answers to these questions.

The CMS website also includes important information about these issues and about the program.

Before we take your questions, I want to remind everyone again that registration is still open. If your authorized official has not yet -- has registered, if your authorized official has registered, but you don't have a backup authorized official, then we strongly encourage the backup authorized official to register no later than this Friday, which is October 9. Again, it's very important that your company have backup authorized official registered to avoid any disruption in the bidding process once bidding opens.

Also registering early allows the backup authorized official to have time to assist the authorized official in approving others' requests for access to DBidS and to make any necessary changes or updates before registration closes, which is on November 4, which is less than a month away.

Also as I said earlier, the next two calls are going to be dedicated to answering your questions on the competitive bidding process. And you can submit your questions ahead of time to the e-mail address on the next page. And also we'll open up phone lines to take your questions live.

Remember, these questions should be general. If you've got specific questions about your organization, then send those to our regular e-mail address or give us a call.

And these email addresses are on the next page. Again, general questions that you want answered during the call on Page 23 should be emailed to cbic.teleconference@palmettogba.com. And your specific questions need to go to cbic.admin@palmettogba.com.

Now we're going to open up phone lines for your questions. Because we've got a limited amount of time today, please only ask one question.

Natalie Highsmith: Hey, Louisa, if you could just remind everyone how to enter the queue to ask a question?

And, everyone, please remember when it is your turn to restate your name, what state you are calling from and what provider organization you are representing today. And also please remember, we are limited to one question per person.

Thank you.

Operator: At this time I would like to remind everyone in order to ask a question, please press star then the number 1 on your telephone keypad.

We'll pause for just a moment to compile the Q&A roster.

Your first question comes from the line of Leo Gunarattne from California.

Your line is now open.

Leo Gunarattne: Yes, I need clarification on the expansion plan, because if you are located in a different CBA and you can still bid anywhere. But, you know, in order to expedite as (unintelligible) delivery, we have a plan

on the plan you mentioned that we will be expanding to a - having a new distribution center for that - for this CBA, it says (unintelligible).

Cindy Dreher: Leo, if you plan to use a distribution center, you do not have that currently, if that's how you to meet the obligations of your contract, then you need to include that on the expansion plan on Form B. Explain to us in detail how you're going to use these distribution centers.

And remember that if you use subcontractors, then you've got to remember what they are permitted to do, which is on that fact sheet as well. So, again, you have to be able to service the CBAs through your existing locations.

Leo Gunarattne: Yes, you can service - there is (unintelligible) location, but in order in future, can we get licenses from the respective state and from the city and open extra locations to expedite?

Cindy Dreher: If you are awarded a contract, then you've got to provide the service to beneficiaries throughout the CBA from your existing locations. Now at a later date if you determine that you need to open a new location, then that may be permitted as well if the location meets all of the criteria.

But you can not submit a bid with the intent of opening a location should you be awarded a contract. On day one, you must be able to service that CBA and the beneficiaries throughout that CBA from your existing locations.

Leo Gunarattne: Okay, thank you.

Cindy Dreher: Thank you, Leo.

Operator: Your next question comes from the line of Sam Hamdan from Texas.
Your line is now open.

Sam Hamdan: Hello. I have a question on the bid price. You have there the total estimated capacity and then you have the bid price. Was that's going to be for the total or for each?

Cindy Dreher: Sam, you're going to submit a bid price and your expected estimated capacity for each item.

Sam Hamdan: Okay.

Cindy Dreher: Not as a whole, but for each item, so each line there's a space for you to provide that information for that item.

Sam Hamdan: And is it safe to use the spreadsheet that you provided on your website?

Cindy Dreher: That spreadsheet is just for assistance to help you. So if you see the beneficiary utilization from 2008, that's only as a courtesy, an additional tool to help you determine the demand in that CBA for that product category in 2008.

Sam Hamdan: Okay, so that weight, is it still the same really or not?

Cindy Dreher: The weight - all of the information on those bid sheets is the same as you'll see on the bidding sheet on Form in DBidS. So the weight is the same, the description, the HCPCS codes, all of that is the same.

Sam Hamdan: And we do have two locations in the same CBA. We would put both of them on Form A, but then Form B, we do submit one bid for Form B...

Cindy Dreher: You're going to...

Sam Hamdan: ...per CBA per category, correct?

Cindy Dreher: You're going to put all of your locations on Form A and then you're going to complete a - one Form B for each product category CBA combination.

Sam Hamdan: Okay.

Cindy Dreher: So if you're bidding on hospital beds in California, then you'll submit one Form B for both of those locations.

Sam Hamdan: Okay, just one more thing -- is the pivotal bid still the same as last round?

Cindy Dreher: No, the pivotal bid will be different because the pivotal bid is based on when - it's that point where capacity meets demand. And so it will be different for this round.

Sam Hamdan: All right, thank you very much.

Cindy Dreher: Thank you.

Operator: Your next question comes from the line of Geraldine Rajah from California. Your line is now open.

Geraldine Rajah: Hello. This is Geraldine from California and I'm calling from Intracommunity Home Care.

And my question has to do with the delivery and setup of the equipment by a subcontractor. Are we required to submit an intent to

enter an agreement with the subcontractor when we do the bidding package? Is - am I understanding that correctly?

Cindy Dreher: Yes.

If you intend to use a subcontractor to do the delivery and setup for you, then yes, you would submit a letter of intent to enter into a subcontracting agreement.

Geraldine Rajah: Now this subcontractor has to be in - if that subcontractor is also participating in the bidding process and is not awarded the contract, is that still allowed.

Cindy Dreher: Yes, a subcontractor can be someone who is not awarded a contract.

Geraldine Rajah: Okay, thank you very much.

Cindy Dreher: Thank you, Geraldine.

Operator: Your next question comes from the line of Terry McDonald from Texas. Your line is now open.

Terry McDonald: Wow.

Natalie Highsmith: Terry?

Okay, next question, please.

Operator: Your next question comes from the line of Noelle Rickert from Florida. Your line is now open.

Noelle Rickert: Hi. I have a question with respect to the assignment of a backup authorized official. Does this person need to be on file with the NSC prior to registering on CBIC?

Cindy Dreher: That's right, Noelle. The backup authorized official must be listed as an authorized official on the NSC files.

Noelle Rickert: Okay.

Cindy Dreher: Thank you. And if you need additional information on that, then the IACS reference guide on our Web site will provide that for you. And there's also some FAQs out there about it.

Operator: Your next question comes from the line of Yonnaliz Ong from Florida. Your line is now open.

Man: (Unintelligible).

Chris: Yes, we were wondering if a DME -- I'm sorry, this is Chris from Breathe Rite.

If a DME did not get awarded a contract, can that DME take up new patients out of the bidding area?

Cindy Dreher: Okay, contract suppliers are allowed to provide the bid items to beneficiaries just in the CBA. So if you would be able to provide the bid items that are not included in the Competitive Bidding Program. But if it is an item in the Competitive Bidding Program, then that beneficiary must receive that item from a contract supplier.

Chris: Oh, I see. Even though the patient is not within the - that area, within the contracted area.

Cindy Dreher: If the beneficiary does not live within the CBA, but comes in and visits the CBA, then they have to use a contract supplier.

Chris: I see. Okay, thank you.

Cindy Dreher: Mm-hm.

Operator: Your next question comes from the line of Tiffany Crabtree from Ohio. Your line is now open.

Man: Yeah, our question is about Form B and it says the list of top HCPCS codes are the ones that we need to bid on? Does that mean that there's just going to be certain HCPCS codes that you want the manufacturer, model names, and model numbers.

Cindy Dreher: That's right.

Man: ...(unintelligible) every single one in that competitive bid?

Cindy Dreher: Yes, that's right. It's only going to be the top HCPCS codes. It's not going to be all of them.

Man: How do we find out which ones that includes? Or is it like up to a certain weight or how do you figure that out?

Cindy Dreher: It's based on allowed services. So it's just going to be the top ones. It's not going to be - like I believe last year was wheelchairs you had to provide for 200. It's going to be a considerably shorter list than that.

Man: Okay, thank you.

Cindy Dreher: Mm-hm.

Natalie Highsmith: Okay, Louisa, we have time for one final question.

Operator: Your final question comes from the line of Jordan Soblick from Florida. Your line is now open.

Jordan Soblick: Hello?

Cindy Dreher: Yes.

Jordan Soblick: Hi. Thank you for taking the call.

Cindy Dreher: Sure.

Jordan Soblick: My question is if there are two separate companies that are - that have common ownership, but in other words have two separate NSC and NPI numbers, could you speak a little bit about the bidding process for those and whether you would have two different bidder numbers or it would just be one bidder number.

Cindy Dreher: You're going to have one bidder number. Say you're going to complete one Form A...

Jordan Soblick: Mm-hm.

Cindy Dreher: ...and put all of the locations on that Form A that are commonly owned or commonly controlled.

Man: Okay. Understood.

So if there's - if one company was say to bid for oxygen supplies and equipment in a CBA, the other company wasn't going to bid anything related to certain items or categories, you would still only have one bid?

Cindy Dreher: No, if they don't provide the same product category at all...

Jordan Soblick: Mm-hm.

Cindy Dreher: ...then you would not put them on the same bid.

Jordan Soblick: But as far as like the - like, for example, last year, we actually had two separate bidder identification numbers for two of the companies even though they were commonly owned because they did - they supplied different items.

Cindy Dreher: Mm-hm.

Jordan Soblick: So is it different this year?

Cindy Dreher: No, it's the same way as it was before in that particular circumstance because you're not bidding against each other. And what the commonly owned and commonly controlled rule is is that you can't bid on the same product category for the same CBA because then you'd be bidding against each other. Because since you're providing different product categories in the same CBA...

Jordan Soblick: Mm-hm.

Cindy Dreher: ...then you would submit - you would do two Form As. So you need to register twice.

Jordan Soblick: Oh, okay. All right.

Cindy Dreher: (Unintelligible).

Jordan Soblick: I understand what you're saying. So...

Cindy Dreher: (Unintelligible).

Jordan Soblick: ...the user ID and password that we've received, that would need to have two essentially?

Cindy Dreher: (Unintelligible).

Jordan Soblick: It was a little bit different, the registration last year, where we actually received a user ID and password for one entity and a user ID and password for the other entity.

Cindy Dreher: (Unintelligible).

Jordan Soblick: This year it seems like when we went in, we were able to list the NSC number of the - of both organizations, but under the same user ID. And that's what I want to make sure that we're registered properly that, in fact, if one company is bidding for items in a CBA that are different from the second company that's bidding, even though it's in the same CBA, that we don't run into an issue and the fact that...

Cindy Dreher: Right. You're going to register one time with one NSC number.

Jordan Soblick: Okay.

Cindy Dreher: It represents locations that are going to be bidding - so let's say enteral nutrition.

Jordan Soblick: Right.

Cindy Dreher: Since you're going to associate another NSC number for the other locations that are providing a distinctive different product category, so the...

Jordan Soblick: Okay. I follow.

Cindy Dreher: ...you register one time with one NSC number to represent one product category, associate another NSC number for the other product category.

Then when you go in to DBidS and you come to Form A, you're going to have two NSC numbers out there. Each one of those NSC numbers is going to represent a separate bid. You'll be assigned two bidder numbers.

Jordan Soblick: Okay. All right. So that's done within - once DBidS is opened.

Cindy Dreher: Right.

Jordan Soblick: My concern was that it had to be done within the registration.

Cindy Dreher: No.

Jordan Soblick: But we're already registered.

Cindy Dreher: (Unintelligible).

Jordan Soblick: So I understand...

Cindy Dreher: Yeah, if you register with your two NSC numbers representing the two separate bids, then you're okay.

Jordan Soblick: Okay, understand. Thank you very much.

Cindy Dreher: Thank you.

Jordan Soblick: All right.

Natalie Highsmith: Okay, Louisa, we have passed our 3 o'clock hour here on the East Coast. Thank you all again for joining us and I'll turn it over to Martha Kuespert for closing remarks.

Martha Kuespert: Thanks Natalie.

Thanks, again, everyone for joining us today. I'd like to remind everyone that we're very interested in your feedback and comments about these Special Open Door Forum Bidders conferences.

So if you have any comments you'd like to share with us, please email us as cbic.admin@palmettogba.com. That's the email address listed on the last page of today's PowerPoint presentation.

Also get your questions in- your general questions on the bidding process- for our next Special Open Door Forum Bidders conference, which is going to be held next Wednesday, October 14, at 3:30 pm Eastern Time. We hope to hear from you then.

Thanks.

Natalie Highsmith: Okay, Louisa, can you tell us how many people joined us on the call today?

Operator: The maximum number of participants for today's call was 442 participants.

Natalie Highsmith: Wonderful. Thank you, everyone.

Woman: (Unintelligible).

Operator: This now concludes today's conference call. You may now disconnect.

Woman: (Unintelligible).

END