

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

Wednesday, October 14, 2009
3:30 pm-4:30 pm Eastern Time
Conference Call Only

Please join us for the seventh 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 respond to prospective bidders' questions about the competitive bidding process. If you have not done so already, please submit your questions to CMS at cbic.teleconference@PalmettoGBA.com.

Reminder: Time is running out to register for user IDs and passwords. The registration deadline for Authorized Officials (AOs) was September 14, 2009. If your AO has not yet registered, we cannot guarantee that he or she will be able to complete the registration process before registration closes on November 4, 2009 at 9 p.m. EST. This is especially a concern if the National Supplier Clearinghouse (NSC) record for your company is not current and accurate. AOs should register now to allow Backup Authorized Officials and End Users time to register. In addition, suppliers whose AOs do not register now run the risk of experiencing delays in accessing the on-line bidding system to get a bidder number and thereby missing the opportunity to submit financial documents by the Covered Document Review Date (CDRD). Register now at 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: 35206461

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 26, 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/DMEPOSCompetBid101409.mp3>

Centers for Medicare & Medicaid Services
Special Open Door Forum:
Medicare Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS)
Competitive Bidding Program Bidders' Conference
Moderator: Natalie Highsmith
October 14, 2009
3:30 pm ET

Operator: Good afternoon. My name is Amanda and I will be your conference facilitator today.

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

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 and then the number 1 on your telephone keypad.

If you would like to withdraw your question please press the pound key. Thank you. Ms. Highsmith, you may begin your conference.

Natalie Highsmith: Thank you Amanda and welcome everyone to our 7th in a series of eight Special Open Door Forums on the Medicare DMEPOS Competitive Bidding Program Bidders Conference.

Today's topic is an open call, meaning that staff will be responding to prospective bidders' questions about the competitive bidding process that were submitted to the e-mail address which is CBIC.teleconference@palmettoGBA.com. I will turn the call over to Martha Kuespert for opening remarks.

Martha Kuespert: Thanks Natalie. Hello everyone and thank you very much for joining us today. We hope that you will find today's session useful. Before we begin

responding to your questions we do have some other information that we'd like to share with you.

First of all, we'd like to remind everybody of all of the helpful tools and information that is available on the competitive bidding implementation contractor website at www.DMECompetitiveBid.com.

We do have most of the educational materials already posted on the website and we do have just a few remaining materials - fact sheets and things like that - that we will be posting before the bid window opens.

We are currently on target to meet our target bid window opening date which is next Wednesday, October 21. We will be announcing the precise opening of bid window when - on the day that it occurs.

Let's see. We will continue to answer your questions during the bid window even though we do expect to conclude our formal education period before the bid window opens. So, please give the customer service center a call if you have any questions.

Also, we are working on a "What's New" section for the website. I know one of the callers on a previous open door forum call requested a special section of the website so you wouldn't have to check around everywhere to find out what's new.

So, we're working on that and hope to post that soon. We'd also like to remind everybody that we're rapidly coming to the end of our registration period.

The target date for the backup authorized official and authorized officials to be registered has past. It's particularly important if you haven't registered your authorized official to register right now. It will be very disruptive to you if you do not register.

At this point if your authorized official has not already registered we can't guarantee that he/she is going to be able to complete the registration process

before the window closes on November 4th at 9:00 pm Eastern Standard Time.

This is a particular concern if the National Supplier Clearinghouse record for your company is not current and accurate. So, register right now if you haven't registered.

If you need to register still, please go to the competitive bidding implementation contractor website at www.DMECompetitiveBid.com.

There's also another registration related issue that Rich Cuchna, the Deputy Director of the Provider Communications Group will give. Rich?

Rich Cuchna:

Good afternoon everyone. If you have registered to participate in the competitive bidding program through the individual authorized access to the CMS computer services IACS system it is important for you to be aware that your temporary IACS password will expire after 60 days.

If you have not already done so, please change your temporary password to a permanent password. When you were assigned your user ID you were assigned a temporary password.

Changing your temporary password to a permanent password keeps your IACS password active. Doing this will give you the ability to input your user ID - or when you change your password you will likely answer authentication questions.

Selecting the authentication questions will give you the ability to input your user ID and reset your password without contacting the CBIC help desk if the password expired.

Detailed instructions for changing your temporary password and selecting authentication questions can be found in the IACS Reference Guide located on CBIC website under the registration tab.

The instructions are found in the guide in section 1 - new user registration, starting at step 20. We will also be sending out this information in an e-mail message to all registered users.

So, if you didn't get all the information I just mentioned to you, we will send you an e-mail message to let you know that you need to change your temporary password to a permanent password if you have not already done so. Thank you.

Martha Kuespert: Thanks Rich. As with the previous sessions, we would like to encourage everybody to submit feedback and comments about this Open Door Forum Bidder's Conference or any of the other Open Door Forum Bidder's Conferences.

If you would like to submit a comment please send us an e-mail addressed to CBIC.Admin@PalmettoGBA.com. At this point Cindy Dreher, the policy and content lead for the competitive bidding implementation contractor, will be leading today's presentation starting with some of the questions that folks have already sent in. Cindy?

Cindy Dreher: Thanks Martha. What I'm going to do, as Martha said, is answer some of the questions that were submitted previously. If I don't get to your question today, then we'll try to get to those on the November the 4th Open Door Call.

But, if it's something that you want answered immediately then just give us a call or e-mail it to CBIC.Admin@PalmettoGBA.com and that way we can get a response to you quickly.

Also, I've noticed, on some of these questions that were submitted to the teleconference e-mail address, they really should have been sent to the other e-mail address because they requested immediate responses or they were the type of questions that needed an e-mail response.

So, just make sure if you send something to the teleconference address that it will be now three weeks before we answer it. Now, we want you to send questions there and we want to provide responses over the call.

But, again, if it's something specific to your company or that you need immediate response to then please send it to CBIC.Admin@PalmettoGBA.com. So, I'm going to go through some questions now and then, with the remaining time, we'll open it up and take your questions from the phone lines.

We received a question asking, when will the bidder number be provided? Can Form B be modified after it's certified? And if it must be certified, and no changes can be made after certification, then it appears that the total bid package is actually due on November the 21st.

Well, to answer the first part of that question, the bidder number is provided when you complete and approve Form A, not Form B but Form A. So, you need to complete that and approve Form A. Once you have your bidder number, put that on your hard copy packages.

If you must modify information on Form A after you've certified Form B then you'll have to go back and recertify all of your bids, and of course, you can modify information on Form A or on Form B as long as the bidding window is open.

Just to make sure, that if you've already certified it - you certified your bid - that you go back and recertify that bid.

A subcontracting question - can a contract supplier refer a beneficiary to a subcontractor if the contract supplier chooses not to carry certain items within a product category?

And the answer is no, because contract suppliers are required to provide all the items within the product category. But, we know, as with any Medicare enrolled supplier a supplier, may subcontract for the purchasing inventory, delivery and instruction on the use of the item or the maintenance and repair of rented equipment.

So, a contract supplier can subcontract for the purchase of the inventory from the subcontractor and for the delivery and the instructions on the use of the equipment.

So, in accordance with the quality standards and the supplier standards we expect that the beneficiaries and referral agents will communicate with the contract supplier on arranging for the DMEPOS items and services.

And also, remember that contract suppliers are 100% responsible for services furnished to beneficiaries and that subcontractors can't do everything. If you want additional information on the subcontracting standards and rules and there's a fact sheet on the website as well as some questions and answers about subcontracting.

What pages of the tax extract are required and do you want the entire 1120 or only pages 1 and 2 of the supporting schedule for other expenses?

You can find this information on the website. There's actually a financial chart and in one column it will tell you what - if you're a corporation or a sole proprietor or whatever- what type of documentation we need. So, for this question, this person is a corporation, so they would submit pages 1 and 2 of Form 1120, 1120S or 1120A.

And that depends upon which one of those forms that corporation files as well as the supporting schedule indicated under other expenses on the tax return. Again, this information is on the financial chart and it lays it out. So, if you've got those types of questions, refer to the website and you'll find that.

We've got another question on financial documentations that asks, can you provide me with an example of the credit report with a numerical score? My report only shows a percentage. Is this acceptable?

And no, it must be a numerical score, except for Standard & Poor's which has an alpha character and, again, the reporting scores must be prepared from one of the five approved agencies which are Dun & Bradstreet, Experian, Equifax, TransUnion or Standard & Poor's.

And when you request your report, make sure you get a numerical score.

Another financial documentation question: When can I submit the financial documents to make sure they're reviewed for missing documents?

As I just said, you've got to complete and approve Form A first and that will assign you your bidder number. And once you've done this you'll have your bidder number and you'll indicate that bidder number on each page of your financial documents, and then you can send that to us.

To get in to complete Form A in DBidS you have to have a user ID and a password, and as we just talked about, registration is still open. It'll be open for three more weeks. So, if you haven't already done so, please register.

We have a question on payment policy. So if the beneficiary changes from his current oxygen supplier to a contract oxygen supplier after the 36 months, how much will the oxygen supplier be paid?

Well, the Medicare law requires that the supplier that furnishes the oxygen and the oxygen equipment during the 36 months of continuous use must continue to furnish the oxygen and the oxygen equipment after the cap for any period medical need for the remainder of the reasonable useful lifetime of equipment.

This does not change under competitive bidding. This requirement continues to apply under the competitive bidding program, regardless of the role the supplier, whether it's a contract supplier or grandfathered supplier or noncontract supplier who elects to not become a grandfathered supplier.

So, it's important to know that this requirement applies even in situations where the beneficiary relocates on a temporary basis, such as someone who moves down to Florida for an extended period of time, a Snow Bird, or on a permanent basis which would be someone who actually just moved from one area of the country to another part of the country outside the supplier's normal service area.

The supplier that furnishes the oxygen or the oxygen equipment in the 36th month of continuous use of oxygen and oxygen equipment, is prohibited from transferring its ongoing obligations to a contract supplier, regardless of whether it has elected to become a grandfather supplier and regardless of whether the beneficiary remains in the competitive bidding area or the CBA.

And there are also some FAQs on the website that relate to these issues of payment for the oxygen product category.

We've got a question about whether you have to have a physical location in or near the CBA in order to bid on that CBA.

Again, there's no per se requirement that you have to have a location in the CBA to bid in that CBA unless there are state regulations that require that you have a physical location in the CBA in order to obtain that state's required licensure.

So, it's important to remember that the supplier must be able to furnish the items to all beneficiaries in the CBA using their existing locations. Now a supplier should not submit a bid unless it currently has the ability to furnish all items and services from the product category throughout the entire CBA.

And these locations must meet all eligibility requirements, including having the applicable licenses at the time the bid is submitted. If you need additional information on licensure there's a fact sheet on the website and there are also licensure guides.

But, remember that these guides are that only. They're just guides that give you the information for in-state locations. If you are interested in the

licensure requirements for out of state locations then you need to call the appropriate state licensing agency.

And you can find that contact information on these guides. There's a guide for each state. Also, if you're planning to use subcontractors to assist you in furnishing services, please remember that there are rules governing the use of subcontractors.

And subcontractors can't do everything. If you're planning on using subcontractors, again, please checkout the subcontractor fact sheet and some of the Q&As on the website.

I've got another question about financial documents, that my company is a subsidiary of a holding company. Whose financial documents should I submit?

And this depends upon which entity files taxes. So, if the subsidiary files their own taxes, then we want the financial documents for the subsidiary.

But, if the holding company files the taxes on behalf of the subsidiary, then we want the financial documents for both the holding company and the subsidiary, and, then, we would want the tax extract of the holding company.

And you can find this information in the request for bids- or the RFB - instructions on the website. If you click on "Bidding Process" you'll see a link to the RFB as it contains this information.

I have a question on make, manufacturer and model number- Do I have to provide the manufacturer model name and model number for all items in a product category?

Answer is no. You're only required to submit the manufacturer, model name and model number for the top HCPCS codes in the product category. And these codes will be displayed for you on Form B in DBidS.

And a question about a specialty supplier. We are a DME that only provides enteral to our own nursing facility. We're not listed as a skilled nursing facility or a nursing facility with the NSC. Can we still register as a specialty supplier?

Answer is no. The only eligible suppliers that may bid as specialty suppliers are, SNFs, skilled nursing facilities, and nursing facilities that are listed with the NSC, as a SNF or a NF. Suppliers that are affiliated with SNFs or NFs but are not themselves a SNF or a NF do not qualify for this option.

CMS, the Centers for Medicare and Medicaid Services, will verify with the National Supplier Clearinghouse, the status of each bidder that indicates it's a SNF or a NF that's bidding as a specialty supplier.

So, if the information on file with the NSC doesn't include that this bidder is in fact a SNF or a NF, then that bidder will not be offered a contract. There's also a fact sheet on specialty suppliers on the website where you can find additional information.

A question we received is, I am a single entity planning to submit a bid in three CBAs. Will I need to submit three Form As or one for each CBA? Will I only need one form for my organization?

What you'll need to do is complete one Form A, and you're going to list all your locations that will be servicing the three CBAs. Then, you'll also select on Form A, the CBAs and the product categories. Then, you're going to fill out one Form B for each CBA product category combination.

So again, it's one Form A and then you'll have additional Form Bs.

Our business will be moving to a different physical address within one month. Do we change the address for the NSC before bidding or after?

Well first of all, you've got to continue to follow the NSC guideline which says that you have to report any changes which include a change of address, to the NSC within 30 days.

And then, the NSC will notify you in writing once the change has been made. If you've already completed and certified your bid, and bidding is still open, then you should go back into DBidS and update your location's address and then you're going to have to recertify your bid.

I have two commonly owned DME companies in the same CBA. I have created one profile linked to one of the NSC numbers, of which I'm the authorized official. Do I need to add the other company location information in the registration system?

Answer is no, you don't need to add the other NSC number in the registration system or IACS. What you'll do is you'll add the NSC number for the other locations on Form A in DBidS.

Another manufacturer, make and model question - they want to know, is this information used only to determine if it's a bona fide bid or will it be used for other purposes at a later date, excuse me, such as a formulary list or preferred product list?

Well this information, the manufacturer model name and model number that you provide in DBidS will be used in the supplier directory on the Medicare website. And this is so beneficiary and referral agents will know what products are carried by contract suppliers.

So, it's important that you list this information for the products that you plan on furnishing so that accurate information goes on the supplier directory. And this information is not used during the bid evaluation process except to review the range of items furnished to Medicare beneficiaries.

A follow up question to that asked, if this information is considered binding on this bidder if they are selected as a contract supplier. If not binding, why is the information requested and how is the information used?

Again, you should list the manufacturer model name and number that you plan on furnishing. But, we also recognize that suppliers may need to make changes throughout the contract period.

So, contract suppliers will be required to update this information on a quarterly basis by completing the designated form that's referred to as Form C.

And since the manufacturer model name and number information will be used on the supplier directory website, it's important that you provide current information so that the beneficiaries and referral agents using the locator tool on the Medicare website, know what you furnished.

If the accreditation deadline is extended until December 31, 2009, is the bidding window going to accommodate this?

Well, the requirement is that suppliers must be accredited for a product category in order to submit the bid for that product category.

So, CMS will not accept bids and will not contract with suppliers that are not accredited by a CMS approved accreditation organization for the applicable product categories. And this requirement is not going to change unless there is a specific change in the law.

What's the deadline date for the covered document review process? Right now that date is on target for November 21, 2009 and that's based on the bid window target date opening of October 21, 2009. The official date will be announced when bidding opens.

I recently submitted my re-enrollment 855S form. I included myself as the authorized official but did not include a second authorized official. I did list another individual as our first delegated official. Can the delegated official serve as a backup authorized official? If not, how do I add a second authorized official?

Well, the delegated official does not have the same responsibilities or the authority as an authorized official that's listed on your enrollment form.

So, for competitive bidding purposes that backup authorized official must also be listed as an authorized official on your enrollment form, not as a delegated official.

So, to update this information, you need to contact the NSC. And you can find specific instructions how to do this in the IACS reference guide that's on the website, and, also, there's an FAQ on the website that addresses this specifically.

I have two companies, each located in a different competitive bidding area. They are not the exact same ownership but they have a common owner for 50% or more of the company. I want to make sure I'm clear on what I need to fill out. I have a registration number for myself as the authorized official. Will I fill out one or two Form As and one or two Form Bs?

So, in this situation you should register one time with one NSC number. When bidding opens you're going to complete one Form A and provide information for each location. You'll then complete one Form B for each product category/CBA combination.

So, for example, if you're bidding on walkers in Dallas, Texas and Riverside, California you'll create two Form Bs, one for walkers in Dallas and another Form B for walkers in Riverside. There's also a common ownership fact sheet on the website.

I'm in the process of selling my business. If I sell my business while the bidding window is open, will this impact my bid?

Well, again you've got to follow the NSC rules and submit the change of ownership to the NSC. If an NSC approved change of ownership occurs before the bid submission period ends, then you would need to update the information related to the change of ownership on your Form A and Form B

in DBidS and also resubmit all accompanying hardcopy documents by the close of the bid window.

The bid evaluation is based on the information provided in DBidS as of the close of the bid window. A supplier that has an NSC approved change of ownership after the bid window closes and has been offered a contract, will need to abide by the change of ownership requirements that we discussed on our call on September the 16th.

Remember, it's very important that contracts under this program are not transferable and they may not be sold.

I'm a primary supplier for a network. What documentation do I need to collect from all of the members? What other additional documentation do I need to submit?

Well, you must collect all of the required documentation which includes the financial documents for each network member. You need to get a signed certification statement for each network member, as well as the legal agreement.

And you can find a complete list of all of the required documents on the website in the RFB instructions.

Will the weight assigned to a HCPCS code in Dallas be different than the weight assigned to the same HCPCS code in Pittsburgh?

And no, the weights are the same for the same items in all the CBAs. So, for example, the weight for an E0260, or a hospital bed, in Dallas is going to be the same as the weight for the E0260 in Pittsburgh.

Another question on financial documents: can I submit the form we completed for the small business administration as a substitute for our financial statements? It appears that a lot of the same information is already included on the small business administration form.

And no, you cannot submit any forms, state or federal, for the required financial statement. You can find a list of the required financial statements and there is also a sample of each of these required financial statements with - on the RFB on the website.

Again there's the chart and the toolkit available on the website.

We understand that when we are completing Form A that we will enter our 'doing business as name.' We have three locations doing business as "123 ABC Medical" and our corporate name is "Medicare is Our Business".

We realize that on our 855-S enrollment form that two of our locations have a DBA listed as "123 ABC Medical" and our third location is listed as "ABC 123 Med". Is this going to be a problem when we fill out Form A? Should we submit a change to the NSC requesting that our third location CBA be updated?

Well, on Form A, you need to list your actual DBA or - and if your DBA is listed incorrectly with the NSC, or if it's not listed at all, then you need to submit a revised enrollment form to the NSC to have this updated.

The DBA information that's going to be displayed on the supplier directory on the Medicare website is populated with information that you provide on your enrollment form with the NSC, not what you provide on Form A and DBidS.

So, it's important that if you want DBA information displayed, that the NSC has the correct information.

And our last question is one on subcontractors. Our business currently uses subcontractors to deliver our inventory and instruct the beneficiaries on how to use it.

On Form B, we will indicate that we use a subcontractor. I understand that we must submit a letter of intent. However, should we also submit a copy of the existing contract?

And yes, if you are - you have a contractual agreement with your subcontractor then you should submit a copy of that agreement along with your required documents.

Okay. This concludes the questions that were submitted to us prior to this teleconference and now we'll open up the lines for questions.

Natalie Highsmith: Okay Amanda, if you can just remind everyone on how to get into the queue to ask a question. And everyone please remember that when it is your turn, to restate your name, what state you are calling from and what provider or organization you are representing today.

Operator: If you would like to ask a question simply press star and then the number 1 on your telephone keypad. And we'll pause for just a moment to compile the Q&A roster.

Your first question comes from Mark Murph from Texas. Your line is open.

Mark Murph: Hi, thank you. A question for you. We talked earlier about the password needed to change to a permanent password. Does that need to be changed every 60 days or just a one time change?

Cindy Dreher: Mark, you need to change it every 60 days.

Mark Murph: Every 60 days? Okay. Thank you very much.

Cindy Dreher: Thank you.

Operator: Your next question comes from Henry Desmarais in Washington. Your line is open.

Henry Desmarais: This is Henry Desmarais with Health Policy Alternatives. Earlier you answered a question about the information about manufacturer and model on Form B, and if I understood correctly, you basically said what they put down is what they plan to offer.

But, it's not really binding on that and could change. Is - are you concerned that the information being shared with beneficiaries, about this, will end up being inaccurate since the data you get will always be lagging?

Cindy Dreher: We will require this information be updated on a quarterly basis. We would - we don't expect that suppliers will change their information dramatically from one quarter to next although we do realize that suppliers have usual business that will change.

But, it's our attempt to provide the beneficiaries with the most accurate information we can.

Henry Desmarais: Well I guess it's - the difficult issue is since you - since they're free to change, it's going to be in their, you know, the question is when do they think they're making a substantial change and, you know, who will say that they can't make a change that in fact they've already made?

Cindy Dreher: There are no provisions that they cannot make changes. Again, you know, we certainly acknowledge and understand that suppliers do change manufacturers and model and make names. But this will be updated on a quarterly basis.

Henry Desmarais: Okay. Thanks a lot.

Operator: Your next question comes from the Bill Blanchfill. Your line is open.

Bill Blanchfill: Hi. This is Bill Blanchfill calling from Minnesota with McKesson Medical Surgical and I actually have two questions. One, is regarding the covered document review data and the other one is regarding licensing.

But, in terms of the covered document review data, can you just confirm that it's just the hard copy documents that are due by 11/21/09, and that the bid can be certified at a later date, at the end of the bidding window? Is that correct?

Cindy Dreher: Bill what - the CDRD process or covered document review process applies to the financial documents. It doesn't apply to certification statements or any other type of documents other than the financial documents.

((Crosstalk))

Bill Blanchfill: I'm sorry. So, to take advantage of the CBIC review of our financial document, it's just the financial documents...

((Crosstalk))

Bill Blanchfill: Okay, great, and my last question really is about licensing and in terms of companies that are out of state. If a company has validated with the state licensing authority that they're not required to be licensed in that particular state what process will the CBIC go through to to validate that?

For example, if a supplier isn't required to be licensed, he won't have a license on file with the national supplier clearinghouse. How will that be detected in your review process?

Cindy Dreher: We do validate the license requirements with the NSC, because the NSC is also required to keep that information whether a supplier has the correct licensure for the state.

Bill Blanchfill: So, if a supplier is not required to be licensed because it's outside of a particular state, how would the NSC, or does the NSC to your knowledge, keep track of that information...

((Crosstalk))

Bill Blanchfill: Okay.

Cindy Dreher: Yes.

Bill Blanchfill: All right. Thank you.

Cindy Dreher: You're welcome.

Operator: And your next question comes from Yonnaliz Ong from - in Florida. Your line is open.

Yonnaliz Ong: Yes. I have a question in regards to - and we are - if we do not have a BAO would we be denied?

Cindy Dreher: No. You do not have to have a BAO but we strongly encourage you to have a backup authorized official because there's a lot of responsibility on that authorized official to certify and approve the forms.

And only that authorized official may do that. So, in case that authorized official is not available for whatever reason, then you've got a backup in place so it won't disrupt the bidding for you.

Yonnaliz Ong: Okay. Also, if a DME does not get awarded, you know, for next year can the DME pickup patients from a nonbidding area?

Cindy Dreher: If the beneficiary that - you're located within a competitive bidding area?

Yonnaliz Ong: Yes.

Cindy Dreher: All right. So, if you have a beneficiary who travels into your area and they need an item that's included in the competitive bidding program then that beneficiary must use a contract supplier for your area.

Yonnaliz Ong: I know. But, if that beneficiary is let's say in a different area that is not within this, you know, bidding area yet, within this round.

Cindy Dreher: Can you explain your scenario to me? How are you going to service that beneficiary?

Yonnaliz Ong: Okay. For example, if let's say we're in Florida right now, let's say in Orlando, and then we pickup patients over in Sebring, which is not within any service area yet.

Cindy Dreher: Is that near the Orlando? I don't know that part of the country that well. Is that very close to the Orlando CBA and that you routinely provide services to those beneficiaries?

Yonnaliz Ong: Yes.

Cindy Dreher: Okay, well since the beneficiary resides outside of the CBA then you would not be - that beneficiary - you may service that beneficiary because it is not within the CBA.

However, if you – conversely - if you were located outside of the CBA but you routinely serve the beneficiaries within the CBA, then you would be required to submit a bid and be awarded a contract.

Yonnaliz Ong: Okay. Okay. Also, I'm sorry, I have one more, last question. We only service right now, let's say, oxygen and CPAP and if we wanted to do, let's say, scooters and wheelchairs can we do that?

Cindy Dreher: Again, you would follow the usual guidelines with the NSC and you would have to update your enrollment form to show that you provide those additional items and that you must also be accredited for those specific product categories.

Yonnaliz Ong: So, it has to be within the accreditation.

Cindy Dreher: Right.

Yonnaliz Ong: Okay. Thank you.

Cindy Dreher: Thank you.

Operator: Your next question comes from Esta Willman from California. Your line is open.

Esta Willman: Hi. This is Esta, with Medisource, and I have a question on the subcontracting. Well, first I have a question on when the audio recordings might be available for the prior sessions, because I think some of the questions I have were answered in those but I was unable to listen in.

Cindy Dreher: Esta, I know that some of them are already out there. I think the first three, maybe four...

Esta Willman: Right.

Cindy Dreher: I'd have to check on it.

Esta Willman: September...

((Crosstalk))

Cindy Dreher: ...we do post them.

Esta Willman: Okay. Well, September 22 is not on there yet and I'm just wondering, you know, if the bid window opens next week, or on the 21st, is there a way to get those audio recordings up so that we can get some answers without having to have you repeat yourself?

Cindy Dreher: I appreciate that Esta.

Esta Willman: Yeah.

Cindy Dreher: We think that they will be up soon.

Esta Willman: Pretty quickly? Okay. I have a question on the subcontracting and the purchase of inventory. Is there any stipulation as to the structure of the purchase of the inventory?

Can it be in like an installment agreement, some sort of a financing agreement or is that of - necessarily of concern?

Cindy Dreher: Well, Esta, that's really more of an NSC question than a competitive bidding question because we just make sure that the suppliers are following the subcontracting rules that are enforced by the NSC. I honestly don't know the specifics of that requirement...

((Crosstalk))

Cindy Dreher: So, that would be something you should submit to the NSC.

Esta Willman: Is there a particular department or person?

Cindy Dreher: Yeah. The National Supplier Clearinghouse. You can give them a call or they also have an e-mail address that you can find on the website.

Esta Willman: Okay. All righty. And one last question. Can a consultant who is not a supplier prepare and submit bids for any number of suppliers in a particular CBA or multiple CBAs? Is there any restriction on the data that can be gathered by a consultant to prepare bids for suppliers?

Cindy Dreher: What we care about is that the Authorized Official or the Backup Authorized Official certifies that the bid contains information that is viable and true and accurate. And so if you decide to use a consultant then that's up to the supplier.

But, ultimately the authorized official or the backup authorized official must certify that that bid is accurate. So, if you want to use a consultant it's up to you, just to make sure that all of the information is provided is what you attest to.

Esta Willman: Okay. So, CMS or the CBIC hasn't - are there any sort of antitrust guidelines for consultant if they aggregate data for multiple suppliers?

Cindy Dreher: There are certainly antitrust guidelines and there is a fact sheet on the website that's from the Department of Justice about price fixing/price rigging and it specifically addresses bidding.

And if you suspect any type of activity then we ask that you send that information onto us so that we can have it researched and investigated by the proper authorities.

Esta Willman: Okay. Thanks. And then one last quick question. In a prior phone call you may have addressed this on how the percentage of market capacity that will be assigned to a new supplier will be calculated. I of course didn't hear the other, you know, prior teleconferences and I - if the answer is in there I apologize.

But, has there been a determination whether a new supplier and a CBA will have their stated capacity for particular items be accepted or will there be some qualification of that?

Cindy Dreher: Right now, Esta how that works, and there will probably be more information on this in the future, but again, all new suppliers must meet the same requirements and eligibility and so forth. And then we expect that new suppliers will complete the expansion plan.

And based on that information then the capacity maybe adjusted.

Esta Willman: Okay. Thank you.

Cindy Dreher: Thank you.

Operator: Your next question comes from Hope Dwyer. Your line is open.

Mike Marnhout: This is Mike Marnhout. I'm the President of Blueglass Oxygen in Lexington, Kentucky. And my question is to show expansion capability, will a letter of intent for funds if you're awarded a bid, suffice?

Cindy Dreher: You can submit that. In the DBidS application on Form B there are open fields that we request that you explain the situation to us and how you intend to expand by staffing, by facilities and so forth.

If you would like to submit additional information, beyond that, then you may include that with your other financial documents, but it's not required.

Mike Marnhout: Okay. But I mean to actually - if I'm interested in bidding in more than one CBA, let's say I'm looking at three or four CBAs, will a letter from a financial institution, that will back me if I win the bids, suffice?

Cindy Dreher: I'm not sure by what you mean by suffice. What we want to see is how you plan to do this.

Mike Marnhout: Okay.

Cindy Dreher: So, if you want - as I said earlier, and put that information on Form B and then if you'd also like to submit the information along with your hardcopy documents you can do that.

Mike Marnhout: All right. Thank you.

Operator: Your next question comes from Carneshu Lafleur in Texas. Your line is open.

Carneshu Lafleur: Hi. My name is Carneshu Lafleur. I'm calling with Monitor Medical Incorporation. I have two questions. I didn't get quite an understanding on submitting forms - on Form A.

We have the Iowa primary corporate location, we're submitting with that NSC number, do I have to submit the other state NSC numbers on Form A or do I wait to do it on Form B?

Cindy Dreher: Okay. You've already registered with one NSC number, right?

Carneshu Lafleur: Yes.

Cindy Dreher: Okay. So, then when you go into Form A, you will add the additional locations on Form A.

Carneshu Lafleur: Okay.

Cindy Dreher: You're also going to select on Form A the - you'll also provide specific information for each location on Form A and you're going to select the competitive bidding areas in the product categories that you intend to submit a bid for on Form A as well.

Carneshu Lafleur: Okay, and on every bidding area that you want to bid in has to be listed on Form A, right?

Cindy Dreher: Yeah. On Form A you'll select - so for example, if you're going to bid on oxygen in Florida. You're going to select your oxygen product category and you'll select your Orlando or your Miami CBA.

Carneshu Lafleur: Okay, because I have one location that I want to bid in but my number is pending and I don't have it yet. So, if I don't have that number while completing Form A, I can't bid in that area, correct?

Cindy Dreher: Remember that each location that's on Form A must have an active NSC number, must be accredited and must have a surety bond.

Carneshu Lafleur: Yeah.

Cindy Dreher: That location must meet all eligibility requirements.

Carneshu Lafleur: On Form A. Okay. And then one more that I had with the physical locations, I'm bidding in the states that didn't require us to have state license there. So,

we can use our primary Medicare number that's accredited and everything and we can try to bid in that area?

Cindy Dreher: Okay. What you're going to have to do is the location that you provide for us on Form A, that location has got to be able to service that CBA.

Carneshu Lafleur: Okay.

Cindy Dreher: So, you can't submit an application with the intent of opening a location in that CBA, should you be awarded a contract.

Carneshu Lafleur: Okay. But, it said that you didn't have to have a physical location there. But, we can service them...

Cindy Dreher: Right.

((Crosstalk))

Cindy Dreher: ...and meet all the quality standards and supplier standards from that location and do everything then, that's permissible.

Carneshu Lafleur: Okay. And so my primary NSC number and everything would cover that.

Cindy Dreher: Now, remember there's no such thing as a primary NSC number.

Carneshu Lafleur: I mean, the one I registered. So if I don't have a location there I don't have an NSC number there. Right?

Cindy Dreher: Right. If you – again, if you don't have a location in a CBA then certainly you wouldn't have an NSC number for that location.

Carneshu Lafleur: Right.

Cindy Dreher: But, remember that the location that furnishes the items to the beneficiary is the one that has to be on your claim form and that's the - and also that's the one that should be listed in Form A.

Carneshu Lafleur: Okay. Thank you so much.

Cindy Dreher: Thank you.

Carneshu Lafleur: Bye-bye.

Operator: Your next question comes from John Walters from Texas. Your line is open.

John Walters: Hi. My question is this. My company is a (unintelligible) to the NSC for a new supply number and it's been over 120 days now.

Every time I call NSC they're telling me that Medicare is holding - telling them to put the application on hold because of the surety bond and accreditation is important right now.

So, my question is, what's going to happen to companies like mine that's a new supplier - so if we don't get a supplier number, then, we're not going to be able to bid or become part of those competitive bidders?

Cindy Dreher: And that's right John. You've - that location that you provide on Form A must as I understand, have an active NSC number, be accredited, have the surety bonds and have all that in place.

So, if it doesn't, then you will not be able to submit a bid for that location.

John Walters: So, my question is this: How come Medicare did not put out a means - you know - some kind of news on the website stating that listen, if you guys don't get your supply number in time - so you're not going to be eligible to bid - to participate in the competitive bidding?

Because my company - we spent thousands of dollars. We've been in this process for over a year now and we submitted our application to NSC. We have accreditation. We have surety bonds. We've met every single thing and now we've gotten to the finishing line and there's no medal.

I mean that's not fair for us...

((Crosstalk))

Cindy Dreher: ...one thing that we've been doing John for many months now is encouraging suppliers to get ready for competitive bidding and have all of these things in place. And again all locations have to comply with the rules and regulations.

John Walters: Yeah, we applied - we applied back in May ma'am. Now we're in October. NCS is not - every time we call them they say they don't have no answers for that. We should call Medicare. And when we call, we can't even get through to anybody.

Cindy Dreher: Yeah.

((Crosstalk))

Cindy Dreher: ...help expedite the assignment of our NSC number. And again, just to repeat the rules that that location, you know, you have to have an active NSC number for you to submit the bid.

John Walters: All right. Thank you.

Operator: Your next question comes from Veronica Villarreal in Texas. Your line is open.

Veronica Villarreal: Yes. My question is as far as small supplier consideration. What all do you need to have documented? Do you just need the financial documentation to establish that you're a small supplier or...

Cindy Dreher: Yes. Just submit your financial documentation - your three financial statements and your tax extract and your credit report and score. And you don't need to do anything further to validate your small supplier status.

Veronica Villarreal: Okay. One more question, being, does the financial documentation - can that be submitted before we submit Form B or...

Cindy Dreher: Yes, it can. You just need them - again get Form A, get your bidder number, put it in all your documents and then you can submit it and then you can go back and complete Form B and certify your bid.

But it's important to remember that when you certify Form B, you're not just certifying Form B, you're certifying your entire bid which includes Form A and all of your financial documents.

Veronica Villarreal: Okay, great. Thank you so much.

Cindy Dreher: Thank you.

Natalie Highsmith: Okay Amanda. We would like to give a response to a question from Mr. John Walters.

Martha Kuespert: Mr. Walters, I believe you're the gentleman who's been having a delay in his NSC number.

We have an e-mail contact for you here at CMS. It's Sandra Bastinelli. And Sandra's e-mail is...

Sandra Bastinelli: Sandra dot Bastinelli, that's B-A-S, B as in boy, A, S as in Sam, T as in Tony, I, N as in Nancy, E-L-L-I at CMS dot HHS dot gov. And Mr. Walters I - although I don't oversee the NSC, I will make certain that the person, who is not here, does receive that e-mail and we'll look into your application. Okay?

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

Operator: And your last question comes from Janet Kuhl. Your line is open.

Janet Kuhl: Yes. My name is Janet Kuhl and I'm with Methodist Home Health in Omaha, Nebraska. We're going to be bidding in round two and we're wondering if any of the current deadline dates for round one are current for us or if we're going to have a whole new set of deadlines for round two.

Cindy Dreher: That's right Janet. You'll get a whole new set of new deadlines.

Janet Kuhl: And that'll include like the AOs and the BAOs and all that?

Cindy Dreher: Right. Yeah. At this point, anything that you must meet this requirement of all suppliers like surety bonds and accreditations certainly that applies to you. But, as far as registration and bidding there will be a whole new set of deadlines for that.

Janet Kuhl: Okay. Thank you.

Cindy Dreher: Thank you Janet.

Natalie Highsmith: Okay Amanda. We have reached our 4:30 hour here on the East Coast and I will turn the call over to Martha Kuespert for closing remarks.

Martha Kuespert: Thank you Natalie and thanks everyone for joining us on the 7th of our series of Special Open Door Forum Bidder's Conferences. I'd like to remind everybody that we are interested in your feedback about all of these special open door forum conferences.

So, if you have any comments you'd like to share with us, please e-mail us at CBIC.Admin@PalmettoGBA.com. Also, if we did not have time to answer your question today there is going to be one last special open door forum bidder's conference held on November 4th from 2:00 to 3:00 Eastern time.

If you have questions, though, there's no need to wait for that bidder's conference, you can call the competitive bidding implementation contractor's customer service line anytime between 9:00 am and 9:00 pm Eastern time, and you can get an answer before then. So, we do hope that we will hear from you at our last open door forum bidder's conference.

Natalie Highsmith: Okay Amanda. Can you tell us how many people joined us on the call today?

Operator: There were 352 participants that joined us on the call today.

Natalie Highsmith: Okay. Wonderful. Thank you everyone. See you November 4th.

Operator: And this concludes today's conference. You may now disconnect.

END