



TIP SHEET

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What You Should Know if You Need Medicare-covered Equipment or Supplies

Information about the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program

Starting January 1, 2011, Medicare is phasing in a new competitive bidding program in some areas of the country. This program will change the way Medicare pays suppliers for certain durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) and make changes to who can supply these items.

If you live in (or get the items while visiting) one of these areas and use equipment or supplies included in the program, you will have to use Medicare contract suppliers (suppliers who participate in the competitive bidding program because they have met Medicare quality and financial standards and they had successful bids) if you want Medicare to help you pay for the item. If you rent oxygen or certain other durable medical equipment, you may be able to continue renting these items from your current supplier when the program takes effect, if the supplier decided to participate in the program as a “grandfathered” supplier. If you live in (or get these items while visiting) these areas and don’t use a Medicare contract or a grandfathered supplier, Medicare won’t pay for the item and you will likely pay full price. It’s important to know if you’re affected by this new program to make sure your item is covered and to avoid any disruption of service.



Who will be affected by this program, and in what areas?

You may be affected by this new program if you live in (or get the items while visiting) the following areas:

- Charlotte-Gastonia-Concord (North Carolina and South Carolina)
- Cincinnati-Middletown (Ohio, Kentucky, and Indiana)
- Cleveland-Elyria-Mentor (Ohio)
- Dallas-Fort Worth-Arlington (Texas)
- Kansas City (Missouri and Kansas)
- Miami-Fort Lauderdale-Pompano Beach (Florida)
- Orlando-Kissimmee (Florida)
- Pittsburgh (Pennsylvania)
- Riverside-San Bernardino-Ontario (California)

To find out if your ZIP code is affected, call 1-800-MEDICARE (1-800-633-4227), or visit www.medicare.gov. TTY users should call 1-877-486-2048.

What kinds of items are included?

You will be affected by this new program if you live in (or get the items while visiting) the areas listed above **AND** you get any of the following items:

- Oxygen, oxygen equipment, and supplies
- Standard power wheelchairs, scooters, and related accessories
- Complex rehabilitative power wheelchairs and related accessories (Group 2 only)
- Mail-order diabetic supplies
- Enteral nutrients, equipment, and supplies
- Continuous Positive Airway Pressure (CPAP) devices and Respiratory Assist Devices (RADs), and related supplies and accessories
- Hospital beds and related accessories
- Walkers and related accessories
- Support surfaces (Group 2 mattresses and overlays in Miami only)

To check if an item you use is included in the program, call 1-800-MEDICARE or visit www.medicare.gov.

What is the DMEPOS Competitive Bidding Program?

The Competitive Bidding Program replaces the outdated prices Medicare is currently paying with lower, more accurate prices. Under this program, suppliers submit bids for certain medical equipment and supplies that must be lower than what Medicare now pays for these items. Medicare uses these bids to set the amount it pays for those equipment and supplies, and qualified, accredited suppliers with winning bids are chosen as Medicare contract suppliers. The program will do the following:

- Help you and Medicare save money
- Ensure that you have access to certain quality medical equipment, supplies, and services from suppliers you can trust
- Help limit fraud and abuse in the Medicare Program

After the program starts, do I have to get any new supplies or equipment that I need from a Medicare contract supplier?

If the equipment or supplies ordered by your doctor or treating practitioner are included in the Competitive Bidding Program where you live, you generally must get your equipment or supplies from a Medicare contract supplier in order for Medicare to pay for the item. However, in certain cases, your doctor or treating practitioner can sometimes supply a walker to you when you are getting other medical care even if he or she isn't a Medicare contract supplier. Similarly, if you're hospitalized and need a walker, the hospital can supply you a walker while you're admitted or on the day you're discharged from the hospital. You may also be able to continue to rent some types of medical equipment from your current supplier, if that supplier chooses to be a grandfathered supplier. In these situations, Medicare will still help you pay for these items.

To find a Medicare contract supplier, call 1-800-MEDICARE (1-800-633-4227), or visit www.medicare.gov. TTY users should call 1-877-486-2048.

Do I have to change suppliers if I am already renting equipment from a supplier that isn't a Medicare contract supplier?

If you are already renting certain medical equipment or oxygen when the program starts January 1, 2011, you may have the choice to stay with your current supplier. Suppliers that aren't Medicare contract suppliers can decide to become "grandfathered" suppliers. A "grandfathered" supplier may continue to rent equipment to you if the supplier rented the equipment to you before the program started. This rule applies only to certain equipment that can be rented, such as CPAP devices, oxygen, and oxygen supplies. You may continue using the "grandfathered" supplier until the rental period for your equipment ends. If you start renting additional equipment from a "grandfathered" supplier after January 1, Medicare won't pay for the new equipment. If you're renting equipment that's eligible for grandfathering, your supplier will let you know in writing 30 business days before the program begins whether it will or won't become a grandfathered supplier.

What about medical equipment and supplies I get from my doctor or hospital?

Medicare will pay for a walker furnished to you by your doctor or treating health care provider (including physician assistants, clinical nurse specialists, and nurse practitioners), even if he or she isn't a Medicare contract supplier, as long as the walker is supplied in the office during a visit for medical care. If you're hospitalized and need a walker, Medicare will also pay for a walker furnished to you by the hospital while you're admitted or on the day you're discharged from the hospital.

Am I affected if I'm in a Medicare Advantage Plan?

The Competitive Bidding Program applies to Original Medicare. If you're enrolled in a Medicare Advantage Plan (like an HMO or PPO), your plan will notify you if your supplier is changing. If you're not sure, contact your plan.

Do I have to change doctors?

No. The program doesn't affect which doctors you can use.

What if I need a specific brand of item or supply?

The Competitive Bidding Program has special protections to make sure you get the specific types of medical equipment you need to protect your health. If you need a specific brand of equipment or supplies, or you need an item in a specific form, your doctor must prescribe the specific brand or form in writing. Your doctor must also document in your medical record that you need this specific item or supply for medical reasons. In these situations, a Medicare contract supplier is required to: furnish the exact brand or form of item you need; help you find another contract supplier that offers that brand or form; or work with your doctor to find an alternate brand or form that is safe and effective for you.

Do I have to get my diabetic supplies by mail order for Medicare to cover them?

No. If you live in one of the program areas, Medicare will pay for your supplies if you use either a mail order contract supplier or go to your local pharmacy or storefront. Local stores don't have to be Medicare contract suppliers unless they're also offering diabetic supplies through the mail.

If you go to your local store to get your diabetic testing supplies, you will probably be paying more for the cost of these supplies than you would if you bought them through a mail order contract supplier. Remember, if you choose to buy your diabetic testing supplies through mail order, you must use a mail order Medicare contract supplier in order for Medicare to pay for the items.

“Mail order” means items ordered by phone, email, internet, or mail, and delivered to your house by common carriers like the U.S. Postal Service, Federal Express, or United Parcel Service. It doesn't include items bought from local supplier storefronts.

What if I travel to one of the areas included in this program and need to get medical equipment or supplies?

If you travel to an area included in the program, you must get any medical equipment or supplies included in the program from a Medicare contract supplier.

If you permanently live in...	And travel to...	You may go to...
An area participating in the program	A different area participating in the program	A Medicare contract supplier located in the area you traveled to for items included in the program*
An area participating in the program	An area NOT participating in the program	Any Medicare-approved supplier
An area NOT participating in the program	An area participating in the program	A Medicare contract supplier located in the area you traveled to for items included in the program*
An area NOT participating in the program	An area NOT participating in the program	Any Medicare-approved supplier

* If you don't use a Medicare contract supplier, the supplier may ask you to sign an Advance Beneficiary Notice. This notice says Medicare probably won't pay for the item or service. The supplier will probably require you to pay for the full cost of the item.

If I travel to one of the areas in this program, will I pay the same amount I pay at home?

Your out-of-pocket costs will be the same as when you are at your permanent home. You will still be responsible for paying the 20% coinsurance after meeting your annual Part B deductible.

It's important to know that for any equipment or supplies that are included in the competitive bidding program, the Medicare contract supplier can't charge you more than the 20% coinsurance and any unmet annual deductible. If you suspect that you are paying more coinsurance than the Medicare-allowed amount, you can call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. You can also call the Fraud Hotline of the HHS Office of Inspector General at 1-800-447-8477. TTY users should call 1-800-377-4950. **Note:** If you live in Florida, call Medicare's Florida fraud hotline at 1-866-417-2078.

How does Medicare pay for equipment or supplies if I have other insurance?

If your primary insurance policy requires you to use a supplier that doesn't participate in the program, Medicare may make a secondary payment to that supplier. The supplier must meet Medicare enrollment standards and be eligible to get secondary payments. For more information, check with your benefits administrator, insurer, or your plan provider.

Where can I get more information about the DMEPOS Competitive Bidding Program?

For more information, visit www.medicare.gov, or call 1-800-MEDICARE.

