

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

- On February 5, 2025, the Centers for Medicare & Medicaid Services (CMS) announced that Noridian Healthcare Solutions, LLC (Noridian) has been awarded a new contract for the administration of Medicare Fee-for-Service (FFS) claims for durable medical equipment, prosthetics, orthotics, and supplies (DMEPOS) in Jurisdiction A.
- The Jurisdiction A DME MAC serves Medicare beneficiaries who reside in the states of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont, and the District of Columbia. The area is depicted in gray shading in the map below.



- This contract award concludes a full and open competition under the competitive contracting provisions of the Medicare Prescription Drug, Improvement and Modernization Act of 2003. The previous MAC contract for the Jurisdiction A DME MAC was awarded to Noridian in December 2016.
- The Medicare Access and CHIP Reauthorization Act (MACRA) enacted on April 16, 2015, included language in Section 509 that extends the maximum duration of MAC contract terms from five (5) to ten (10) years. As a result, this Jurisdiction A DME MAC contract includes a Base Year and six option years. The anticipated effective date of the new contract is March 1, 2025.
- This is a ‘cost plus award fee’ contract. The award fee will be earned only if Noridian exceeds the base requirements of the contract. Inclusive of all options, the newly awarded Jurisdiction A DME MAC contract has a total estimated value of \$141.6 million.

- This jurisdiction comprises approximately 20.4% of the overall national Medicare FFS DMEPOS claims volume, equating to almost \$1.9 billion in Medicare benefit payments annually. The Jurisdiction A DME MAC contract will provide Medicare services to more than 7.3 million Medicare FFS beneficiaries and approximately 17,915 Medicare DMEPOS suppliers.
- Noridian will perform all Jurisdiction A Medicare FFS DMEPOS activities for this contract from its headquarters in Fargo, ND. Medicare FFS activities, include processing claims received from suppliers, appeals, re-openings, customer service, provider outreach and education, and medical review.
- CMS has stringent standards for contract performance on these MAC contracts and measures performance through a variety of processes, including on-site oversight, data reviews, protocol-driven quality assurance reviews, and independent audits. As CMS continues to use the competitive process to select Medicare claims administration contractors, technical approach and past performance will be major evaluation factors.
- Questions about the contract award should be directed to Malissa Shin in CMS' Office of Acquisition and Grants Management. Ms. Shin may be reached at 410-786-0109 or [Malissa.Shin@cms.hhs.gov](mailto:Malissa.Shin@cms.hhs.gov)