

DMEPOS

Medicare's Competitive Bidding Program

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What is DMEPOS?

- DMEPOS stands for
 - Durable Medical Equipment
 - Prosthethics
 - Orthotics
 - Supplies
- Equipment and supplies covered under Medicare Part B

Change in Payment for DMEPOS

■ Congress changed

- The way Medicare pays
- How much is paid
- Who can furnish these items

■ Called “Competitive Bidding Program”

- Began July 1, 2008
- 10 initial competitive bidding areas (CBAs)
- Applies if residing in or visiting a CBA

Competitive Bidding Program

- Bidding process will set Medicare payment lower than previous amounts
- Program will help people with Medicare
 - Save money
 - Get quality equipment, supplies and services
- Program will limit Medicare fraud and abuse

Who will be Affected?

■ Beneficiaries who

- Have Original Medicare (not apply if have Medicare Advantage)
- Permanently reside in a ZIP Code in a CBA
- Obtain items while visiting a CBA

■ Organizations that work with them.

Initial CBAs

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

How New Program Works

- DMEPOS suppliers submit bids
- Medicare uses bids to determine payments
- Contracts will be awarded to sell/rent DMEPOS

Products Included in the Program

1. Oxygen supplies and equipment
2. Standard power wheelchairs, scooters
3. Complex rehabilitative power wheelchairs
4. Mail-order diabetic supplies
5. Enteral nutrients, equipment, and supplies
6. Hospital beds and related accessories
7. Continuous Positive Airway Pressure (CPAP) devices and Respiratory Assist devices (RADs)

Products Included in the Program

8. Negative pressure wound therapy devices
9. Walkers and related accessories
10. Support surfaces (Miami only)

- To check for specific included products
 - Call 1-800-MEDICARE
 - Visit www.medicare.gov

Using Contract Suppliers

■ Must use contract supplier if:

- Item included in Competitive Bidding Program where a beneficiary lives
- When a beneficiary travels to or visits a CBA

Identifying Contract Suppliers

- Call 1-800-MEDICARE (1-800-633-4227)
- TTY users call 1-877-486-2048
- Visit www.medicare.gov/supplier
 - DMEPOS Supplier Locator Tool

Non-contract Supplier

- If in CBA, a non-contract supplier may not furnish bid items
- If non-contract supplier used, supplier will issue Advance Beneficiary Notice (ABN)
- ABN says
 - Medicare will not pay
 - By signing, beneficiary agreeing to pay
 - If not sign ABN, beneficiary not responsible for payment

Temporary Visits

To CBA:

- Must use contract supplier
 - If non-contract supplier used, supplier will issue Advance Beneficiary Notice (ABN)
 - If not sign ABN, beneficiary not responsible for payment

To non-CBA:

- Can use any Medicare-enrolled supplier

Stay With Current Supplier

- Can stay with current non-contract supplier if all of the following
 - Supplier elects to be “grandfathered”
 - Beneficiary permanently resides in a CBA
 - Renting the equipment before July 2008
- If current non-contract supplier elects not to be “grandfathered”
 - Must switch to a contract supplier

“Grandfathered” Supplier

Supplier

- Notifies beneficiary confirming desire to continue services

Beneficiary

- May continue getting services until rental period ends OR
- Must switch to a contract supplier

If Not “Grandfathered” Supplier

■ Supplier

- Should confirm desire to discontinue services
- Picks up equipment

■ Beneficiary

- Must switch to contract supplier
- Retains documentation of pick-up
- If not hear from supplier, check with supplier or Medicare

Deductible and Coinsurance

- Annual deductible and 20% coinsurance remain in effect
- Contract suppliers cannot bill for more than these amounts
- For suspected overpayment or fraud call
 - 1-800-MEDICARE
 - Fraud Hotline of the HHS Office of the Inspector General at 1-800-447-8477.

Have Other Insurance?

- Medicare may make payment to a non-contract supplier if required by policy
- Non-contract supplier must
 - Meet Medicare enrollment standards
 - Be eligible to receive secondary payments

Points to Remember

- Beneficiaries may need to change their DMEPOS supplier to continue Medicare coverage
- May be able to stay with current supplier if renting from supplier who elects to be “grandfathered
- Program does not apply to beneficiaries in an MA plan.

What Beneficiaries Need To Do

- Beneficiaries living in or visiting a CBA who need medical items included in the program should
 - Find out if the ZIP Code where they live or visit is included in a CBA
 - Find out which suppliers are included in the Medicare Competitive Bidding Program in that area
- Visit www.medicare.gov or call 1-800-MEDICARE to find this information

Beneficiaries With Questions Should:

- Call 1-800-MEDICARE (1-800-633-4227), TTY users should call 1-877-486-2048.
- Visit www.medicare.gov website
 - Supplier Locator Tool
 - Consumer fact sheets
 - Pub #11307
- Talk with their Physician or supplier
- Utilize Medicare's local information resources (SHIPs, AoA, etc) or advocacy groups.

What Employer Organizations Need to DO

- Look at Health Plan Documents to determine impact DMEPOS has on your benefit programs.
- Place articles in retiree/employee newsletters (CMS has PSAs that can be modified for this purpose).
- Educate your benefit specialists about DMEPOS and where to find additional information on CMS websites.

Helpful Resources

- www.medicare.gov – beneficiary friendly information.
- DMEPOS_QA@cms.hhs.gov – resource mail box for program specific questions from partners.
- www.cms.hhs.gov/Partnerships/03_DMEPOS_Toolkit.asp#TopOfPage - helpful tools for working with others on this benefit change.
- www.medicare.gov/Supplier/Static/About/DMEPOS.asp?dest=NAV|Home|AboutSupplierDirectory|DMEPOS#TabTop - complete list of Medicare contract suppliers.
- www.dmecompetitivebid.com/palmetto/cbic.nsf/DocsCat/home - specific information on the construct of the competitive bid program and outreach information.

CMS Contact Information

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