

Basic Bidding Rules - from CBIC Web Site -April 25, 2007

- Suppliers may not submit more than one bid per item in a product category.
- Suppliers that share common ownership, as defined in the rule, may only submit one bid on behalf of all locations servicing the competitive bidding area (CBA). If that company wins, all locations servicing the CBA will be considered contract suppliers for that product category. Suppliers with multiple locations are not allowed to submit separate bids for the same product category in a CBA. If a company with common ownership submits multiple bids, all bids will be rejected.
- Network member suppliers will not be allowed to bid separately from their network for the same product category in the same CBA. Network members can only join one network per product category per CBA.
- Bids cannot be submitted that exceed the current fee schedule amount.
- Bids must include the cost of:
 - Furnishing the item throughout the geographic area that makes up the CBA (except for skilled nursing facilities and nursing facilities that elect to participate as specialty suppliers).
 - Providing the item and any requisite services directly associated with the item, such as proper beneficiary and caregiver training and follow-up, manufacturer's shipping charges, maintaining rented equipment in proper order, delivery, set-up, and retrieval.
 - Providing the item during the full duration of the bidding period.
 - Provisions for non-discrimination against beneficiaries in a CBA, so that a contract supplier makes available to Medicare beneficiaries the same products that the contract supplier makes available to other customers, including the same brand names, makes, and models.
 - Furnishing items on either a rental or purchase basis, as required by Medicare rules.
- The single payment amount established through bidding will remain in effect for the full term of the contract.
 - The bidding form will identify if the bid price should represent a purchase or rental bid and whether the product will be paid on either a rental or purchase basis. The bid price for a purchase item should be based on the purchase of a new item.
- Suppliers that are physically located outside a CBA but do business in that CBA and are able to service Medicare beneficiaries may submit a bid for that CBA.
- The bid form requires suppliers to identify the items for which they are bidding by manufacturer, model name, and number.

Confidentiality

CMS will maintain the confidentiality of all information provided when a bidder submits its bid(s) to the extent provided by law. However, an independent evaluator will be granted access to suppliers' or networks' bidding information. Any reports that are done to evaluate the program will be reported in an anonymous or aggregate format. The US Government Accountability Office (GAO), Department of Health and Human Services

Office of Inspector General (OIG), and the Department of Justice (DOJ) may review bidding information for evaluation purposes. CMS will request that they report bidding information in an anonymous or aggregate format. Contractor staff with access to bid information are required to sign a statement agreeing to maintain the confidentiality of each bidder's information.