



## Medicare Fee-For-Service (FFS) Contingency Plan Announced!

Effective May 23, 2007, Medicare FFS is establishing a contingency plan for implementing the National Provider Identifier (NPI). In this plan, as soon as Medicare considers the number of claims submitted with an NPI for primary providers (Billing, pay-to and rendering providers) is sufficient, Medicare (after advance notification to providers) will begin rejecting claims without an NPI for primary providers, perhaps as early as July 1, 2007. For more information on this contingency plan, please visit the NPI dedicated website at <http://www.cms.hhs.NationalProvIdentStand/>.

MLN Matters Number: SE0714

Related Change Request (CR) #: N/A

Related CR Release Date: N/A

Effective Date: N/A

Related CR Transmittal #: N/A

Implementation Date: N/A

## Pre-Bidding Activities for the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program

### Provider Types Affected

All suppliers of durable medical equipment (DME) that wish to participate in the Medicare DMEPOS competitive bidding program.

### Provider Action Needed

This Special Edition (SE) article, SE0714, outlines the pre-bidding activities that DME suppliers need to follow in order to participate in the Medicare DMEPOS Competitive Bidding Program.

### Background

Providers and suppliers that furnish certain DMEPOS to Medicare beneficiaries under Medicare Part B will have an opportunity to participate in a competitive acquisition program (the "Medicare DMEPOS Competitive Bidding Program"). This program will improve the accuracy of Medicare's payments for certain DMEPOS, reduce beneficiary out-of-pocket expenses, and save the Medicare program money while ensuring beneficiary access to quality DMEPOS items and services.

#### Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

To assist with the DMEPOS Competitive Bidding Program, CMS awarded a contract to Palmetto GBA to serve as the Competitive Bidding Implementation Contractor (CBIC) for program implementation and monitoring.

As the DMEPOS Competitive Bidding Program progresses, suppliers may want to view the final rule governing the program, which is available at <http://www.cms.hhs.gov/quarterlyproviderupdates/downloads/cms1270f.pdf> on the CMS Web site. In addition, you may want to visit <http://www.cms.hhs.gov/competitiveacqfordmepos> for more complete information on the program and the process whereby suppliers can bid and participate.

There are other *MLN Matters* articles on the program.. These articles are discussed briefly in the "Additional Information" section of this article.

## Basic Instructions

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### *All suppliers submitting a bid must:*

- Be in good standing and have an active National Supplier Clearinghouse number (NSC#);
- Meet any local or State licensure requirements, if any, for the item being bid;
- Be accredited or be pending accreditation. CMS cannot accept a bid from any supplier that is not accredited or that has not applied for accreditation. The accreditation deadline for the first round of competitive bidding is August 31, 2007. Suppliers should apply for accreditation immediately to allow adequate time to process their applications. (For a listing of CMS-approved accrediting organizations, please visit [http://www.cms.hhs.gov/CompetitiveAcqforDMEPOS/downloads/DMEPOS\\_Accreditation\\_Organizations.pdf](http://www.cms.hhs.gov/CompetitiveAcqforDMEPOS/downloads/DMEPOS_Accreditation_Organizations.pdf) on the CMS Web site. *MLN Matters* article SE0713 provides additional information on accreditation and is located at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0713.pdf>; and
- Complete initial registration in the internet application (Individuals Authorized Access CMS computer Services, IACS) to get a USER ID and password. Suppliers need to complete this initial registration process early to avoid delays in being able to submit bids. The initial registration process requires the **authorized official**, as identified in Section 15 of the CMS 855S, to complete the information required in the internet application. The authorized official's information must match the information on file at the National Supplier Clearinghouse. To complete this initial registration and obtain a USER ID and password, please go to <https://applications.cms.hhs.gov>.

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***All suppliers submitting a bid should:***

- Review *MLN Matters* article SE0717, *Initial Supplier Registration for Competitive Bidding Program is Now Open*, which provides important information about the registration process;
- Review the information in the Bid Application Tool Kit to facilitate a better understanding of the bidding process and rules. This information is located on the CBIC Web site at [http://www.dmecompetitivebid.com/cbic/cbic.nsf/\(subpages\)/CBICSuppliersBid%20Application%20Tool%20Kit](http://www.dmecompetitivebid.com/cbic/cbic.nsf/(subpages)/CBICSuppliersBid%20Application%20Tool%20Kit);
- View the educational webcast to learn more about the Medicare DMEPOS Competitive Bidding Program and detailed information on the bid application process. This information is located on the CBIC Web site at [http://www.dmecompetitivebid.com/cbic/cbic.nsf/\(subpages\)/CBICSuppliersEducational%20Tools](http://www.dmecompetitivebid.com/cbic/cbic.nsf/(subpages)/CBICSuppliersEducational%20Tools); and
- CMS encourages you to register to receive updates on the Competitive Bidding Program. You may do so by going to <http://www.cms.hhs.gov/apps/maillinglists/> on the Web.

**Additional Information**

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The CMS complete listing of all DME resources is available at <http://www.cms.hhs.gov/center/dme.asp> on the CMS Web site. A background review of the rationale for this program is at [http://www.cms.hhs.gov/CompetitiveAcqforDMEPOS/downloads/DME\\_sum.pdf](http://www.cms.hhs.gov/CompetitiveAcqforDMEPOS/downloads/DME_sum.pdf) on the CMS Web site.

*MLN Matters* article SE0713, *Accreditation Information for Suppliers of Durable Medical Equipment, Orthotics, Prosthetics, and Supplies (DMEPOS)*, **relates to** this article and provides an overview of the Medicare Modernization Act legislation and how it impacts this competitive bidding program. It also outlines the quality standards for suppliers, describes the status of accreditation, and provides the web addresses of the ten accrediting organizations. SE0713 can be viewed at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0713.pdf> on the CMS Web site.

Another article, MM5574, provides more overview information regarding the DMEPOS Competitive Bidding Program and that article is at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM5574.pdf> on the CMS site.

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