

**DMEPOS Competitive Bidding Program Q&As
(5/12/08)**

1) Do I have to change suppliers if my current supplier was not awarded a contract?

Starting in July 2008, you may have to change suppliers to continue having Medicare pay for medical equipment that you need. However, if you are currently renting certain medical equipment or oxygen, you may have the choice to stay with your current supplier. Non-contract suppliers can become “grandfathered” suppliers and continue to rent items to people with Medicare who permanently live in a Competitive Bidding Area (CBA) if they rented the item to the person prior to the new Competitive Bidding Program.

2) What happens if my supplier wants to become a “grandfathered” supplier?

If a supplier chooses to be a “grandfathered” supplier, they are responsible to notify you before the program begins. This notice should ask you whether you want to continue getting services from them. You may continue using the grandfathered supplier until the rental period for your equipment ends. If you choose not to continue using your grandfathered supplier when the program begins, you must switch to a contract supplier to be covered by Medicare.

3) What happens if my supplier decides not to become a “grandfathered” supplier?

If your current supplier chooses not to become a “grandfathered” supplier, they should notify you before the program begins. The supplier must pick up its equipment, and you must switch to a contract supplier to be covered by Medicare. You should make sure to keep the pick-up slip or other documentation from the supplier that shows you no longer have the equipment.

If you do not hear from your supplier, you should contact your supplier or Medicare to find out if your supplier intends to continue services.

4) How much do I have to pay a supplier for the item?

Whether you use a grandfathered supplier or a contract supplier, you are still responsible for a 20% co-payment and any unmet Part B deductible.

5) How can I get mail-order diabetic supplies?

If you permanently live in a competitive bidding area and choose to buy your diabetic testing supplies through mail order, you must use a mail-order contract supplier to get these items. If you don't get diabetic testing supplies through mail order, you may get these items from a local store, even if the store isn't a contract supplier.

6) Does competitive bidding affect how I get certain medical equipment and supplies from my doctor?

Doctors and treating practitioners who are not contract suppliers may furnish certain types of medical equipment and supplies to you as long as these items are furnished as part of their professional services for you. For the first round of competitive bidding these items are limited to walkers. Treating practitioners means a physician assistant, nurse practitioner, or clinical nurse specialist.

7) How does Medicare pay for these items if I have other insurance?

If your primary insurance policy requires you to use a non-contract supplier, Medicare may make a secondary payment to a non-contract Medicare-enrolled supplier. The supplier must meet Medicare enrollment standards and be eligible to receive secondary payments. For more information, check with your benefits administrator, insurer or your plan provider.

8) Will I be affected if I'm in a Medicare Advantage Plan?

No. The competitive bidding program only applies to people in the Original Medicare Plan.

9) What if I travel to another part of the country for certain months out of the year?

If you travel to or visit an area that is included in the Competitive Bidding Program and need to get equipment or supplies that are part of the Competitive Bidding Program for that area, you must get those items from a contract supplier for that area. The chart below describes different scenarios.

If you permanently live in...	And travel to...	*Type of Supplier You May go to...
A competitive bidding area.	A competitive bidding area.	You must get competitively bid items from a contract supplier located in the competitive bidding area to which you traveled. If you don't use a contract supplier, the non-contract supplier may ask you to sign an Advance Beneficiary Notice. This notice says Medicare probably won't pay for the item or service. The non-contract supplier will probably require payment from you for the full cost of the item.

(Chart Continued)

(Chart Continued)

If you permanently live in...	And travel to...	*Type of Supplier You May go to...
A competitive bidding area.	An area NOT covered by the competitive bidding program.	You may get items from any Medicare-enrolled DME supplier.
An area NOT covered by the competitive bidding program.	A competitive bidding area.	You must get the competitively bid item from a contract supplier in the competitive bidding area. If you don't use a contract supplier, the non-contract supplier may ask you to sign an Advance Beneficiary Notice. This notice says Medicare probably won't pay for the item or service. The non-contract supplier will probably require payment from you for the full cost of the item.
An area NOT covered by the competitive bidding program.	An area NOT covered by the competitive bidding program.	You may get items from any Medicare-enrolled DMEPOS supplier.

*Payment Note: Whether or not you live in a competitive bidding area, the Medicare payment to a supplier is determined by where you permanently reside. Your out-of-pocket expenses will be the same as when you are at your permanent residence (20% coinsurance after meeting your deductible).

10) Why would I be asked to sign an Advance Beneficiary Notice?

Non-contract suppliers aren't allowed to furnish competitively bid items to people with Medicare who live within a competitive bidding area unless an exception applies such as grandfathered suppliers or physicians and treating practitioners for other items. If an exception does not apply and a noncontract supplier in a competitive bidding area furnishes a competitively bid item to you, you should be given an Advance Beneficiary Notice. This notice says Medicare probably won't pay for the item or service. By signing this notice, you are agreeing to pay in full for the item or service you want to get if Medicare doesn't pay for it. **If you don't sign an ABN, you are not responsible for payment for the item or service.**