Help Eliminate Competitive Bidding

What is competitive bidding? A competition among suppliers of certain durable medical equipment is held in areas around the country. Bids and contracts are awarded to the Medicare suppliers who offer the best price and meet applicable quality and financial standards. Contract suppliers must agree to accept assignment on all claims for bid items and will be paid the bid price amount. The amount is derived from the median of all winning bids for an item.

This process is an attempt by the Centers for Medicare and Medicaid Services (CMS) to control Medicare expenditures for durable medical equipment, including CPAP and bilevel units. It was halted by an act of Congress in 2008 after many flaws and problems were detected in Round 1 that had serious ramifications for ventilator users.

Reducing the number of homecare providers means less choice for consumers and forces many Medicare beneficiaries to obtain equipment and supplies from an unfamiliar, non-local provider that may be unlicensed and inexperienced in providing the equipment and services that people depend upon.

However, competitive bidding was only halted, not eliminated, and with the high cost projections for health care reform, it has been resurrected for Round 2. Congressperson Kendrick Meek (D-Fla) is co-sponsor of H.R. 3790 that would end this program.

The American Association for Homecare is advocating support for the bill, and IVUN has joined their advocacy efforts. Consumers may also advocate in favor of H.R. 3790 by writing their congresspersons.

Details and a sample letter are available by visiting www.aahomecare.org.

For background, visit www.ventusers.org/edu/valnews/VAL_22-2su08p9.pdf.

For more information, visit www.cms.hhs.gov/DMEPOSCompetitiveBid/.