



## Quarterly Update for the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program (CBP) - July 2021

MLN Matters Number: MM12225

Related Change Request (CR) Number: 12225

Related CR Release Date: March 31, 2021

Effective Date: July 1, 2021

Related CR Transmittal Number: R10688CP

Implementation Date: July 6, 2021

### PROVIDER TYPES AFFECTED

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This MLN Matters Article is for providers and suppliers submitting claims to the Durable Medical Equipment (DME) Medicare Administrative Contractors (MACs) for Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) items or services Medicare pays for using the DMEPOS fee schedule.

### PROVIDER ACTION NEEDED

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Medicare updates the DMEPOS Competitive Bidding Program (CBP) files on a quarterly basis to implement necessary changes to HCPCS codes, ZIP codes, and single payment amounts. CR12225 provides specific instruction for implementing the DMEPOS CBP files.

### BACKGROUND

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Congress mandated the DMEPOS CBP through the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. The statute required that Medicare replace the current fee schedule payment methodology for selected DMEPOS items with a CBP. The intent is to improve the effectiveness of Medicare's method for setting DMEPOS payment amounts. This reduces beneficiary out-of-pocket expenses and saves the Medicare program money while ensuring beneficiary access to quality items and services.

CMS issues update notifications on a quarterly basis. CR 12225 gives the DME MACs the latest update instructions. CMS makes available the competitive bidding files to the DME MACs and the Pricing, Data Analysis and Coding (PDAC) contractor. Automated entry of the file additions, updates or deletions are done on a quarterly basis using fully refreshed files, for the following three files:

- Competitive Bidding Area (CBA) ZIP code file
- HCPCS file
- CBA pricing file.

## ADDITIONAL INFORMATION

The official instruction, CR 12225, issued to your DME MAC regarding this change is available at <https://www.cms.gov/files/document/r10688cp.pdf>.

If you have questions, your DME MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

For more CBP information, see the [DMEPOS Competitive Bidding](#) webpage.

## DOCUMENT HISTORY

Date of Change	Description
March 31, 2021	Initial article released.

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