

Bid Preparation Worksheet – National Mail-Order Estimated Capacity & Bid Amount Calculations

This worksheet is provided to assist you with determining your bid amount and estimated capacity for each item in the product category. This information will be entered in DBidS, the on-line bidding system, on Form B. Your capacity is the estimated number of units that you believe you can provide in the competitive bidding area in a calendar year. All bid amounts must be bona fide (rational and feasible for you to furnish at the bid price). You must not submit a bid for an item at a loss in order to improve your chances of winning a contract. It is important for you to consider and include your cost to purchase the item, overhead, and profit when determining a bid amount for a unit. CMS will evaluate bids to verify that they are bona fide and may ask you to submit additional information, including a rationale and invoices or other documents, to validate the bid amount. Save a copy of your completed worksheet and calculations to use if CMS requests documentation to support your bid amount. Please review the [Request for Bid \(RFB\)](#) instructions and fact sheets (particularly the [National Mail-Order Competition for Diabetic Supplies fact sheet](#) and the [Requirement to Submit a Bona Fide Bid fact sheet](#)) for assistance with completing your bid sheet (Form B).

Make sure your cost to buy one unit of diabetic test strips (HCPCS code A4253KL) includes all brands in your bid. You should weight the cost of each brand by the volume of that brand you estimate you will furnish as shown in the following table. The brands you enter in this worksheet must be the same product offerings you entered in the [50 Percent Compliance form](#). Your estimated volume of a brand can be different from the percentage of market share on the [50 Percent Compliance form](#).

EXAMPLE ONLY - USE YOUR OWN BRANDS, COSTS, AND VOLUME ESTIMATES TO DETERMINE YOUR UNIT COST.

| Brands of Unit (HCPCS Code A4253KL) You Plan to Offer if You Win a Contract | Your Cost to Buy Brand | Volume of Brand You Estimate You Will Furnish | Weighted Cost (cost to buy x estimated volume) | |
|---|------------------------|---|---|--|
| 1. Brand A | \$ 1.00 | 25% | \$ 0.25 | |
| 2. Brand B | \$ 2.00 | 25% | \$ 0.50 | |
| 3. Brand C | \$ 3.00 | 25% | \$ 0.75 | |
| 4. Brand D | \$ 4.00 | 25% | \$ 1.00 | |
| | | | Add weighted cost of all brands ↓ | |
| | | | \$ 2.50 | ← YOUR COST TO BUY ONE UNIT |

The order in which HCPCS codes are presented in this worksheet is NOT NECESSARILY the order in which they will appear in Form B in DBiS.

It is important that you CAREFULLY REVIEW THE DATA YOU ENTER IN DBiS FOR ACCURACY.

| National Mail-Order Diabetic Supplies Bidding area includes all 50 states, District of Columbia, Puerto Rico, US Virgin Islands, Guam and American Samoa | | | | Reference Data for Background Informational Purposes Only | Reference Data for Background Informational Purposes Only | Bidder Data (You will enter your estimated capacity and bid amount information in DBiS - Form B) | | | |
|---|---|------------------------------|---|---|--|---|---|---|--|
| HCPCS Code | HCPCS Code Description | Definition of a Bidding Unit | Weight (The relative market importance of the unit in the product category based on utilization) | 2010 Beneficiary Count (Number of unique Medicare beneficiaries in the CBA that received the product in CY 2010) | 2010 Allowed Units (Number of units for the CBA and HCPCS code paid by Medicare in CY 2010) | Bid Limit* (2012 Fee Schedule: Bid amount must be at or below this amount) | Your Cost to Purchase One (1) Unit (Should be less than your bid amount) | Your Bid Amount (To provide one [1] unit as described in Definition of a Bidding Unit; should include cost to buy unit, overhead and profit) | Your Estimated Capacity (Number of units you can furnish in the CBA for one [1] year) |
| A4253KL | Blood Glucose Test Or Reagent Strips For Home Blood Glucose Monitor, Per 50 Strips: DMEPOS mail-order comp bid | purchase of one (1) new unit | 0.5983045726 | 2,345,986 | 27,623,123 | \$33.24 | | | |
| A4259KL | Lancets, Per Box Of 100: DMEPOS mail-order comp bid | purchase of one (1) new unit | 0.2310228130 | 2,043,123 | 10,666,432 | \$10.79 | | | |
| A4256KL | Normal, Low And High Callibrator Solution / Chips: DMEPOS mail-order comp bid | purchase of one (1) new unit | 0.0939061118 | 1,745,050 | 4,335,721 | \$9.82 | | | |
| A4258KL | Spring-Powered Device For Lancet, Each: DMEPOS mail-order comp bid | purchase of one (1) new unit | 0.0464927155 | 1,459,241 | 2,146,514 | \$16.71 | | | |
| A4235KL | Replacement Battery, Lithium, For Use With Medically Necessary Home Blood Glucose Monitor Owned By Patient, Each: DMEPOS mail-order comp bid | purchase of one (1) new unit | 0.0206137190 | 512,631 | 950,849 | \$2.17 | | | |
| A4233KL | Replacement Battery, Alkaline (Other Than J Cell), For Use With Medically Necessary Home Blood Glucose Monitor Owned By Patient, Each: DMEPOS mail-order comp bid | purchase of one (1) new unit | 0.0093702955 | 153,178 | 398,667 | \$0.74 | | | |
| A4234KL | Replacement Battery, Alkaline, J Cell, For Use With Medically Necessary Home Blood Glucose Monitor Owned By Patient, Each: DMEPOS mail-order comp bid | purchase of one (1) new unit | 0.0001732529 | 4,367 | 7,851 | \$3.38 | | | |
| A4236KL | Replacement Battery, Silver Oxide, For Use With Medically Necessary Home Blood Glucose Monitor Owned By Patient, Each: DMEPOS mail-order comp bid | purchase of one (1) new unit | 0.0001165197 | 3,922 | 5,381 | \$1.56 | | | |

* The fee schedule amount is the average amount for all parts of the United States, including the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa.