

Common Ownership and Common Control

Definitions of Terms:

Commonly owned suppliers are those where one or more suppliers has an ownership interest totaling at least five percent in the other(s). The term “ownership interest” is defined as “the possession of equity in the capital, stock, or profits of another supplier.”

Commonly controlled suppliers are those where one or more of a supplier’s owners is also an officer, director, or partner of another supplier.

How to Bid:

Suppliers are prohibited from competing against themselves when submitting bids in the Competitive Bidding Program. Therefore, suppliers that are commonly owned or commonly controlled must submit one bid for the same product category in the same competitive bidding area (CBA). If suppliers that are commonly owned or commonly controlled submit a separate bid(s) for the same CBA and product category combination(s), the bid(s) will be disqualified, and none of these suppliers will be awarded a contract for that CBA and product category combination(s). Commonly owned or commonly controlled suppliers may submit separate bids if they are bidding on different product categories in the same CBA or the same product category in different CBAs. In this situation, you have the option to register with more than one Provider Transaction Access Number (PTAN) and submit separate bids.

Suppliers sharing common ownership or common control with other suppliers must list on Form A in the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Bidding System (DBidS) all commonly owned or commonly controlled locations that would furnish any items in the same CBA and product category combination for which the suppliers are submitting a bid. This includes locations physically located inside or outside the CBA that currently furnish items and services to beneficiaries in that CBA or will do so if awarded a contract. If commonly owned or commonly controlled suppliers are awarded a contract, all locations listed on Form A will be considered contract suppliers for that CBA and product category combination.

Commonly owned or commonly controlled suppliers must submit the required financial documents for all suppliers included on the bid that are part of the commonly owned or commonly controlled relationship. The documents should be submitted in one package and must have the bidder number on every page. Please refer to the [Request for Bids \(RFB\) instructions](#) for specific information on the required financial documents.

Example of Commonly Owned Entities Submitting ONE Bid:

Below is an example of a commonly owned relationship among three suppliers that are submitting one bid. All three suppliers are commonly owned by the same authorized official (AO), Jack. Suppliers A, B, and C each have unique PTANs. Supplier A and Supplier C furnish different product categories in the Cincinnati CBA. However, Supplier B and Supplier C furnish the same product category (respiratory equipment) in the same CBA (Philadelphia).

Competition	855-S Enrollment Application			
Product Category/CBA	Supplier Name	PTAN	AO	AO
Enteral Nutrition/Cincinnati	Supplier A	8888880001	Jill	Jack
Respiratory Equipment/Cincinnati	Supplier B	3333330001	Kim	Jack
Respiratory Equipment/Cincinnati	Supplier C	5555550001	Pat	Jack

Bidding for the **same** product category in the **same** CBA:

Jack, the AO for both Supplier B and Supplier C, registers using the PTAN for either Supplier B or Supplier C. After Jack registers, Kim and Pat should register with the same PTAN as backup authorized officials (BAOs) to assist Jack in bidding. Once bidding opens, Jack, Kim or Pat must complete the business organization section of Form A, approve Form A, and certify Form B. ONE package of hardcopy documents must be submitted. Please review the RFB instructions for financial documentation requirements.

Bidding for a **different** product category(s) in the **same** or **different** CBA(s):

Jill or Jack registers with the PTAN for Supplier A's enteral nutrition bid in Cincinnati. One package of hardcopy documents must be submitted. Please review the RFB instructions for financial documentation requirements.

Example of Commonly Owned Entities Submitting Two Bids:

Jack, the AO for Supplier A and B, registers one time with two PTANs representing the two **different product categories** (enteral and respiratory equipment) in the same CBA (Cincinnati). Kim registers as a BAO with Supplier B's PTAN. Jack must complete the business organization section of Form A for both bids, approve the Form A, and certify the Form B for each bid. In this case, he would submit separate hardcopy documents for each bid.

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	Supplier Name	PTAN	AO	AO
Enteral Nutrition/Cincinnati	Supplier A	8888880001	Jill	Jack
Respiratory Equipment/Cincinnati	Supplier B	3333330001	Kim	Jack