

Webcast FAQs

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Lead Item Pricing

With the new lead item pricing methodology for Round 2021, will the non-lead item bid amounts be screened by the Centers for Medicare & Medicaid Services (CMS) to ensure they are bona fide?

A supplier's bid for a lead item represents its bid for furnishing the lead item and all non-lead items in the product category, i.e., each supplier now submits one composite bid for furnishing all of the items in the product category as a whole. Therefore, due to lead item pricing, it is not feasible to use pricing documentation (e.g., invoices) alone to determine if the supplier's composite bid is bona fide. While the lead item is, generally speaking, the major revenue generator for suppliers, CMS will review pricing documentation for the lead item and other information to substantiate the supplier's ability to furnish both the lead item and non-lead items in the product category.

For example, in addition to requiring pricing documentation for the lead item, suppliers who are required to substantiate their bid will also be required to submit a narrative rationale that describes their ability to furnish all items in the product category. An acceptable narrative rationale should demonstrate how the supplier considered the impact its bid amount for the lead item would have on the potential single payment amounts for the non-lead items. If a supplier is asked to provide a narrative rationale and documentation to substantiate its bid amount and they do not provide the necessary information, or the information provided does not substantiate its bid amount, that supplier's bid for the applicable competitive bidding area (CBA) and product category combination(s) will be disqualified.

As a reminder, Round 2021 of the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program will be the first time that bid surety bonds are required. While we will continue to screen and evaluate all bids to ensure they are bona fide, requiring that bidders obtain a bid surety bond for each CBA in which they submit a bid is an additional measure to ensure that bids are bona fide in Round 2021.

Where can I find the 2019 unadjusted fee schedule?

The 2019 unadjusted fee schedule is maintained by the Centers for Medicare & Medicaid Services (CMS) and is not published. However, the 2019 unadjusted fees are used as [bid limits](#) for the Round 2021 lead items and can be found on our website.

If my bid amount for the lead item is below the maximum winning bid amount and I'm offered a contract, will I be reimbursed at my bid amount for the lead item, which is below the winning amount?

For Round 2021, under the lead item pricing methodology, the single payment amount (SPA) for the lead item



Healthcare Common Procedure Coding System (HCPCS) code is the maximum bid amount submitted for that item by suppliers whose bids for the item are in the winning range in that competitive bidding area and product category combination (competition). Therefore, all bidders who are awarded a contract for a competition will be paid at the maximum winning bid amount for the competition. Please see the [Lead Item Pricing](#) fact sheet for additional information on the lead item pricing methodology and how the SPAs for non-lead items in the product category will be calculated.

Will the single payment amount (SPA) for the lead and non-lead items be the same for all winning suppliers in the same competitive bidding area (CBA)?

Yes, the SPAs for the lead item and all non-lead items in the CBA and product category combination (competition) will be the same for all contract suppliers. However, new for Round 2021, all bidders who are awarded a contract for a competition will be paid at the maximum winning bid amount for the competition. Please see the [Lead Item Pricing](#) fact sheet for additional information on the lead item pricing methodology and how the SPA for the lead and non-lead items in the product category will be determined.

What is the difference between the 2015 fee schedule and the 2019 fee schedule, which are both used in Round 2021?

Starting in 2016, competitive bidding pricing information has been used to adjust fees in areas where the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program has not been implemented. That means the 2015 fee schedule is the last fee schedule that was not adjusted using competitive bidding pricing information and, for some items, was not exposed to price inversions among similarly coded items (i.e., where single payment amounts (SPAs) for DMEPOS items with less features are higher than SPAs for DMEPOS items with more features). This is why the 2015 fee schedule was used to determine the relative ratios for non-lead items in the product category. Please review the [Lead Item Pricing](#) fact sheet for more information and an example of how the 2015 fee schedule was used to determine the relative ratios.

The 2019 unadjusted fee schedule was used for establishing bid limits for Round 2021. It is simply the annual unadjusted fee schedule adjusted for inflation (i.e., what the 2015 fee schedule would be today if the Centers for Medicare & Medicaid Services did not apply competitive bidding information to the fee schedule).

If I bid a price now and in 2021 the cost of the equipment increases, will the single payment amount (SPA) increase, too?

No. Once the SPAs are determined for Round 2021, they will not be adjusted for inflation or price increases and will remain in effect from January 1, 2021, through December 31, 2023.

Bid Surety Bond

What address do I give the insurance agency for my bid surety bond? I contacted multiple sureties from the list provided and they are all asking me for the holder information.

The address for the obligee, Centers for Medicare & Medicaid Services (CMS), is not required by the regulation; however, if the authorized surety requires the address, please use the following CMS address: 7500 Security Boulevard, Baltimore, MD 21244.

We also encourage you to review the [Bid Surety Bond Checklist](#) to ensure all bid surety bond requirements are met. As a reminder, the bidding entity's legal business name must be listed as the principal/obligor. This is the same company name that is in the Business Organization Information section of Form A in the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Bidding System, DBidS.

I have not been able to locate a surety from which to obtain the required bid surety bond.

Each bidder must obtain a bid surety bond from an authorized surety on the Department of Treasury's [List of Certified Companies](#) on the Department of the Treasury's website. If you haven't already, you may want to contact the surety that provided your bond for enrollment with the National Supplier Clearinghouse (NSC), but please make sure they are still on the list of certified companies. You may also perform a Google search and find sureties that are providing the required bid surety bond for the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program (e.g., search for "DMEPOS Bid Surety Bond").

If I obtained a bid surety bond but was not awarded a contract, what is my liability?

If you are not offered a contract or are offered a contract for a product category where your composite bid (your bid amount for the lead item) is above the median composite bid rate (median lead item bid amount of all bidders in the competition) and you do not accept the contract offer, the bid surety bond liability will be returned to you within 90 days of the Round 2021 public announcement of contract suppliers. Please review the [Bid Surety Bonds](#) fact sheet for additional information.

Financial

Our tax returns are done on a cash basis; however, our financial statements (i.e., income statement, statement of cash flows, and balance sheet) are done on an accrual basis. Is this acceptable?

~~The required financial documents must be prepared on the accrual, cash, or tax basis of accounting. Required financial documents prepared on a mix of accrual, cash, and or tax basis (e.g., tax return extract prepared on a cash basis and the financial statements prepared on an accrual basis) would not be acceptable.~~

The required financial statements (e.g., income statement, balance sheet, and statement of cash flows) must be prepared on the same accounting basis: accrual, cash, or tax. However, the required financial documents can be prepared on a mix of accrual, cash, and/or tax basis (e.g., tax return extract prepared on a cash basis and the financial statements prepared on an accrual basis is acceptable).

In past rounds, bidders were asked to include their bidder number on each page of their financial documents. Is this still requested?

Although not required, we recommend including your bidder number on each required document. It is helpful when reviewing your financial documents. As a reminder, bidders must upload the required financial documents specified in the [Request for Bids \(RFB\) Instructions](#) in Connexion, the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program's secure portal, by the close of the bid window.

I am a start-up with no previous tax returns. What financial documents should I upload?

If you started your business on January 1, 2019, and submit a tax return on a calendar year basis, you will not yet have been required to submit a tax return prior to the opening of the bid window in July 2019. In this scenario to satisfy the exact twelve-month requirement, the bidder (i.e., new supplier) should upload actual financial statements for the five months ending May 31, 2019, and pro forma financial statements for the seven month period from June 1, 2019, through December 31, 2019. Please review the financial requirements included in the [Request for Bids \(RFB\) Instructions](#) for additional guidance.

My company is the bidding entity and we are a subsidiary of a larger corporation. Do I upload my company's credit report and score or should I upload my parent company's credit report and score?

Financial statements should be at the same organization level as the tax return extract. For example, a subsidiary that files its own tax return must upload its own financial statements (i.e., they must be at the subsidiary level) to correspond with its tax return extract. However, if a parent organization files the tax return on its subsidiary's behalf, the financial statements and tax return extract provided by the subsidiary must be at the parent organization level. Business division or line of business financial statements that do not correspond to the tax return extract will not be accepted. If the parent organization files the tax return on their subsidiary's behalf, then Form 851 should also be uploaded.

You must upload a copy of your business' credit report showing a numerical credit score or rating, your company's name, and the date that the credit report was prepared – no earlier than 90 calendar days prior to the opening of the bid window. If the numerical credit score or rating is generated separately from your credit report, your company's name and the date it was prepared must be shown on the credit report and included with the numerical credit score or rating. Your business credit report must be from one of the four approved credit reporting agencies and include one of the acceptable numerical credit scores or ratings. If the bidder is included on the parent's tax return, then we will accept either the parent or the subsidiary's credit report. Please see the [Required Financial Documents](#) fact sheet for more information.

How do I determine whether to provide a personal or business credit score/report?

You must upload a copy of your business' credit report showing a numerical credit score or rating, your

company's name, and the date that the credit report was prepared – no earlier than 90 calendar days prior to the opening of the bid window. If the numerical credit score or rating is generated separately from your credit report, your company's name and the date it was prepared must be shown on the credit report and included with the numerical credit score or rating. Your business credit report must be from one of the four approved credit reporting agencies and include one of the acceptable numerical credit scores or ratings listed in the [Request for Bids \(RFB\) Instructions](#).

If your business' credit report is not available, a personal credit report for the primary business owner is acceptable. However, a personal credit report with a numerical credit score or rating is not acceptable from bidders filing a regular 'C' corporation tax return (Form 1120), except in cases of newly formed corporations. Please see the [Required Financial Documents](#) fact sheet for more information.

Registration

Are bidders required to register a backup authorized official (BAO)?

A BAO is not required; however, we encourage bidders to register at least one BAO in the Centers for Medicare & Medicaid Services (CMS) Enterprise Portal to assist with the bidding process. A BAO has the same capabilities as the authorized official (AO) in the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Bidding System, DBidS, and Connexion, the DMEPOS Competitive Bidding Program's secure portal. It's important to note that a BAO must be listed as an AO on your CMS-855S Medicare enrollment application and reflected in the Provider Enrollment, Chain, and Ownership System (PECOS).

Can a delegated official on my Centers for Medicare & Medicaid Services (CMS) enrollment application register as a backup authorized official (BAO)?

No, only an individual identified as an authorized official (AO) on your company's CMS-855S enrollment application and reflected in the Provider Enrollment, Chain, and Ownership System (PECOS) can register as an AO or BAO.

Can I be an end user (EU) for multiple organizations?

Yes, but you can only be an EU for multiple organizations if the authorized official (AO) is the same for all the applicable organizations. The AO will need to approve any EU's access requests for the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Bidding System, DBidS, and Connexion, the DMEPOS Competitive Bidding Program's secure portal.

If I registered for the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Bidding System, DBidS, or Connexion, the DMEPOS Competitive Bidding Program's secure portal in a previous round, do I need to register again?

Yes, all users (authorized officials, backup authorized officials, and end users) must request to add access to Connexion and DBidS regardless of whether they previously had access. For more information on registering for a Centers for Medicare & Medicaid Services (CMS) Enterprise Portal account, please see the [CMS Enterprise Portal User Manual](#) and for requesting to add access to the applications, see the [Registration Reference Guide for DBidS and Connexion](#).

If I have an account for myCGS, do I need to register for another Centers for Medicare & Medicaid Services (CMS) account?

MyCGS is not hosted in the CMS Enterprise Portal, so you must create a CMS Enterprise Portal account and request to add access for the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Bidding System, DBidS and Connexion, the DMEPOS Competitive Bidding Program's secure portal. Guidance on how to register for a CMS Enterprise Portal account can be found in the [CMS Enterprise Portal User Manual](#) and how to request to add access to DBidS and Connexion in the [Registration Reference Guide for DBidS and Connexion](#).

I have several Provider Transaction Access Numbers (PTANs) located in one competitive bidding area. Do I need to register each PTAN in the Centers for Medicare and Medicaid Services (CMS) Enterprise Portal?

Generally, you should register in the CMS Enterprise Portal using one PTAN and can add other PTANs on your

bid in the DMEPOS Bidding System (DBidS). Please refer to the [registration](#) information for additional guidance.

How do I select a new authorized official (AO) if our current AO has left the company?

Any person listed as an AO on your CMS-855S enrollment application and reflected in the Provider Enrollment, Chain, and Ownership System (PECOS) can serve as an AO or backup authorized official (BAO) for bidding purposes. If a BAO is registered in the Centers for Medicare & Medicaid Services (CMS) Enterprise Portal for your company, the BAO can be promoted to the AO role. Please see [How to Update Information in the CMS Enterprise Portal](#) for guidance.

However, if no one is registered in the CMS Enterprise Portal as a BAO, you may add another individual who is listed as an AO on your enrollment application and in PECOS as an AO for bidding purposes. If you have not already done so, please contact the National Supplier Clearinghouse (NSC) to update your enrollment application with your new AO information.

Can I request to add access to Connexion, the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program's secure portal before receiving a bidder number?

Yes, a bidder number is not required to request to add access to Connexion. However, you should have a bidder number prior to uploading the required documents in Connexion. You will receive your bidder number after you complete the Business Organization Information section of Form A in the DMEPOS Bidding System, DBidS.

What application do I select from the drop down menu in Step 1 of the Centers for Medicare & Medicaid Services (CMS) Enterprise Portal?

You can select either DBidS or Connexion in Step 1 of the registration process. Once you receive your CMS Enterprise Portal user ID and password, you can log in again to request to add access to the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Bidding System, DBidS, and Connexion, the DMEPOS Competitive Bidding Program's secure portal. For more information on registering, please see the [CMS Enterprise Portal User Manual](#) and the [Registration Reference Guide for DBidS and Connexion](#).

I own two companies that are located in different states, and each has its own National Provider Identifier (NPI) and Provider Transaction Access Number (PTAN). Do I need to register twice and submit two separate bids for each company?

If your companies are bidding in the same competitive bidding area (CBA) for the same product category, you should register with one PTAN; both companies must bid together as they are commonly owned and cannot compete against each other. However, if your companies are not competing against each other in the same product category and CBA combination, you have the option to register a PTAN for each company and submit separate bids. If you choose to do this, you must upload separate financial documents for each company as well as separate bid surety bonds for each CBA in which each company bids. For more information on commonly owned and/or commonly controlled entities, please see the [Common Ownership and Common Control](#) fact sheet and the [Request for Bids \(RFB\) Instructions](#). Additional information on bid surety bonds can be found on the [Bid Surety Bond](#) page.

Miscellaneous Questions

My business is moving to a new location in about a month. Will this be a problem?

To be eligible for a contract offer, you must have an active billing number. The National Supplier Clearinghouse (NSC) also requires your billing number to be active. Therefore, if you are moving to a new location you must notify the NSC of your change of address within 30 days of the change. Additionally, all information associated with the move must be communicated to the NSC and updated in the Provider Enrollment, Chain, and Ownership System (PECOS). For additional information, please contact the NSC at 866-238-9652 or visit the [NSC's](#) website.

PECOS information is used to determine if a bidder meets all enrollment requirements (outlined in the [Request for Bids \(RFB\) Instructions](#)). Therefore, as long as the new enrollment information is communicated to NSC timely and updated in PECOS by the close of the bid window, your bid(s) should not be impacted by the move. Please note that if you are opening a new location that has not been previously enrolled, it could take approximately six to eight months for a new location to be enrolled and assigned a billing number or Provider

Transaction Access Number (PTAN) by the NSC. The new location must be properly licensed, accredited, etc., which are also requirements a bidder must meet to be eligible for a contract offer(s).

My competitive bidding area (CBA) is an entire county, which is approximately 3000 square miles. If I accept the contract offer, am I required to service the entire CBA?

Yes. A contract supplier must furnish all competitively bid items under its contract to any beneficiary who maintains a permanent residence in or visits a CBA and requests a competitively bid item(s) from the contract supplier. If the contract supplier is physically located outside the CBA, the contract supplier is still required to service the entire CBA. More information can be found in the [Contract Supplier Obligations, Monitoring, and Education](#) fact sheet.

Many different items are included in a product category. How will the quality of the item be measured during bid evaluation? How do you ensure the beneficiary is obtaining a quality product?

Contracts are awarded to eligible bidders who meet the requirements outlined in the [Request for Bids \(RFB\) Instructions](#), including being accredited by a Centers for Medicare & Medicaid Services (CMS) approved accrediting organization and licensed by the state as applicable, and whose bid amounts fall at or below the pivotal bid*. Like any Medicare-enrolled supplier, bidders who are awarded contracts are expected to comply with the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Supplier Standards and the DMEPOS Quality Standards. In addition, contract suppliers must comply with the terms of their competitive bidding contract throughout the contract period of performance. Please see the [Contract Supplier Obligations, Monitoring, and Education](#) fact sheet for additional information.

* Pivotal Bid - The lowest bid for the lead item in the product category based on bids submitted by suppliers for a product category in a CBA (competition) that includes a sufficient number of suppliers to meet the projected beneficiary demand for the items in that competition.

How far away from a competitive bidding area (CBA) can a supplier's location be to still be considered for a contract?

Location is not a requirement for bidding unless the state the CBA is located in has such a requirement in order to furnish items and services to beneficiaries residing in that state. A contract supplier must furnish all competitively bid items under its contract to any beneficiary who maintains a permanent residence in or visits a CBA and requests a competitive bidding item(s) from a contract supplier. Please review the [Eligibility Requirements](#) fact sheet for additional information.

Bidding

How do I delete a document that has been uploaded in Connexion, the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program's secure portal?

Once uploaded in Connexion, documents cannot be deleted. However, you may upload a revised document, and both documents will be reviewed. The document that best meets the criteria outlined in the Request for Bids Instructions will be considered during bid evaluation.

Where do I complete and submit Form A and Form B?

You will find Form A and Form B in the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Bidding System, DBidS. To enter DBidS, go to the [Competitive Bidding Implementation Contractor \(CBIC\)](#) website and select the Portals tab at the top of the page. You can also click on Bidding in the left menu on the Round 2021 page of the CBIC website, and then choose DBidS: DMEPOS Bidding System. Then, click the "Bid Now in DBidS" button.

The Centers for Medicare & Medicaid Services (CMS) Enterprise Portal System Use Notification page will appear. Read and agree to the terms and conditions by clicking "Accept." The CMS Enterprise Portal User ID page will appear. Enter your user ID and click "Next." You will then see the CMS Enterprise Portal Password page. Enter your password and click "Log In." Click "Enter DBidS" on the DMEPOS Bidding System (DBidS) Welcome page.

Does the contact person I provided on Form A in the Durable Medical Equipment, Prosthetics, Orthotics,

and Supplies (DMEPOS) Bidding System, DBidS, have to be an authorized official (AO) or a backup authorized official (BAO)?

No, the contact person you assign in DBidS on Form A does not have to be an AO or BAO. However, we will not speak to anyone regarding your bid without approval from an AO or BAO.

Our facility may be moving to a new location during the bidding process. Is this going to be a problem?

If a location included on your bid moves, you must still follow the same requirement to notify the National Supplier Clearinghouse (NSC) within 30 calendar days of the location move. For more information, please contact the NSC at 866-238-9652 or visit the [NSC](#) website. The billing number for the location(s) on your bid must remain active throughout the bid evaluation period.

Can I upload my applicable state licenses in Connexion, the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program's secure portal, or do I upload the licenses in the Provider Enrollment, Chain, and Ownership System (PECOS)?

Licenses should not be uploaded in Connexion. You must have current, non-expired state licenses reflected in PECOS for each supplier location included on your bid by the close of the bid window on September 18, 2019. In addition, please make sure your licenses are maintained and reflected in PECOS throughout the bid evaluation period. The Centers for Medicare & Medicaid Services (CMS) cannot award contracts with locations that are not properly licensed. A [DMEPOS State License Directory](#) is located on the National Supplier Clearinghouse (NSC) website.

If I already submitted my bid(s), will I be able to make changes or remove the bid(s) before the bid window closes?

Yes. You have until the close of the bid window to add, change, or delete your bid(s) in the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Bidding System, DBidS. Please be aware if any changes are made to Form A or Form B after either form has been approved or certified, the authorized official (AO) or a backup authorized official (BAO) must then re-approve Form A and/or re-certify Form B. If the AO or a BAO does not re-approve or re-certify the form(s), your bid will be incomplete and cannot be further evaluated.

Does each financial document need to be uploaded separately in Connexion, the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program's secure portal, or can they be consolidated into one file?

You can upload one consolidated PDF containing financial documents for each bidder number as long as the document size is less than 50 MB.

Can I log out of the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Bidding System, DBidS, while in the middle of entering my bid, then return to DBidS at a later date and finish the bid where I left off?

Yes. You can complete either Form A or Form B over a period of time and go back and make changes before the bid window closes. It's very important to save what you've entered and once finished, to view the status page to ensure all information is complete (i.e., Form A is certified, and Form B is approved).

Can I upload multiple bid surety bonds for multiple competitive bidding areas (CBAs) at the same time?

No. When uploading bid surety bonds in Connexion, the Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program's secure portal, you must upload each bid surety bond individually and assign it to the applicable CBA. [42 CFR §414.412\(g\)](#) requires each CBA on your bid to have its own, unique bid surety bond.