Durable Medical Equipment, Prosthetics, Orthotics, and Supplies Competitive Bidding Program
Health Status Monitoring
Summary of Findings through August 2011

No changes in beneficiary health outcomes resulting from the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program have been observed to date.

CMS is currently monitoring three distinct groups of beneficiaries. The first group is the Original Medicare population in each of the nine competitive bidding areas (CBAs). The next group is composed of Medicare beneficiaries in the CBAs who are actively using one of the competitively bid products. The last group includes beneficiaries who are likely to use one of the competitively bid products on the basis of related health conditions. In the case of mail-order diabetic supplies, for example, this third group of beneficiaries would be composed of those with diabetes.

Within these groups, CMS is monitoring usage rates and a wide range of health outcomes such as deaths, hospitalizations, emergency room visits, physician visits, admissions to skilled nursing facilities, average number of days spent hospitalized in a month and average number of days in a skilled nursing facility in a month.

To examine rates across regions, a "comparator" region was established for each CBA as a type of control. In general, CBA rates are tracked closely by comparator rates both before and after the implementation of competitive bidding.

It is important to note that mortality and morbidity rates commonly display seasonal trends that are unrelated to the competitive bidding program. The first quarter of each year typically has elevated rates of mortality and morbidity; however, the trends generally mirror past seasons and are closely matched by the comparator regions.

It is also important to note that rates that appear more variable tend to be based on a smaller number of beneficiaries. In the workbooks available on the CMS website, the size of each population is shown in parentheses in the legend as a guide.