



DMEPOS COMPETITIVE BIDDING PROGRAM NON-CONTRACT SUPPLIER



The Hyperlink Table, at the end of this document, gives the complete URL for each hyperlink.

When a round of the Medicare Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program (CBP) becomes effective in a competitive bidding area (CBA), beneficiaries with Original Medicare who obtain competitively bid items in that CBA must use a competitive bidding contract supplier for Medicare to pay, unless an exception applies. This fact sheet contains important information for non-contract suppliers.

From January 1, 2021, thru December 31, 2023, the CBP will only be in effect for off-the-shelf (OTS) back and knee braces, so the guidance in this fact sheet only applies to these items during this time.

WHAT IS A NON-CONTRACT SUPPLIER?

A non-contract supplier is a supplier that is not awarded a contract by the Centers for Medicare & Medicaid Services (CMS) to furnish items included in the CBP. For a list of the CBAs and product categories included in the CBP, visit the Competitive Bidding Implementation Contractor (CBIC) website at <http://www.dmecompetitivebid.com>. There you will find the specific ZIP Codes for each of the CBAs and specific Healthcare Common Procedure Coding System (HCPCS) codes included in the CBP.

WHAT ARE THE EXCEPTIONS THAT APPLY TO NON-CONTRACT SUPPLIERS?

Medicare will not pay non-contract suppliers furnishing competitively bid DMEPOS items to beneficiaries with Original Medicare in a CBA, unless one of the following exceptions applies:

- **Physicians and Other Treating Practitioners**—Physicians and other treating practitioners who are enrolled Medicare DMEPOS suppliers may furnish competitively bid OTS back and knee braces in a CBA to their own patients without submitting a bid and being selected as a contract supplier. See the [Physicians and Other Treating Practitioners, Physical Therapists, and Occupational Therapists](#) fact sheet on the CMS website.
- **Hospitals**—Hospitals may furnish competitively bid OTS back and knee braces in a CBA to their own patients without submitting a bid and being selected as a contract supplier. See the [Hospitals That Are Not Contract Suppliers](#) fact sheet on the CMS website.
- **Medicare Secondary Payer**—A non-contract supplier that has a valid Provider Transaction Access Number (PTAN) may receive a Medicare secondary payment for a competitively bid OTS back or knee brace in a CBA furnished to a beneficiary residing in a CBA if the beneficiary is required to use that supplier under his or her primary insurance policy. This policy does not supersede any Medicare secondary payer payment laws, regulations, or policies. Payment will be calculated in accordance with Medicare secondary payer requirements.
- **Repairs and Replacements**—Medicare allows for the repair and replacement of parts needed for the repair of beneficiary-owned items by any Medicare-enrolled supplier. Labor to repair equipment is not subject to competitive bidding and will be paid according to Medicare's general payment rules. Beneficiary-owned competitively bid OTS back or knee braces that are replaced, rather than repaired, must be furnished by contract suppliers when beneficiaries obtain these items in a CBA. See the [Repairs and Replacements of Off-the-Shelf Back and Knee Braces](#) fact sheet on the CMS website.

WHAT IS A BENEFICIARY’S LIABILITY FOR SERVICES FURNISHED BY NON-CONTRACT SUPPLIERS?

Except where an exception applies, a beneficiary has no financial liability to a non-contract supplier that furnishes an item included in the CBP (i.e. a competitively bid OTS back or knee brace) for a CBA, unless the beneficiary has signed an advance beneficiary notice (ABN) that indicates that Medicare will not pay for the item because the beneficiary is receiving it from a non-contract supplier and the beneficiary agrees to accept financial liability. ABN forms can be found at the [Beneficiary Notices Initiative \(BNI\)](#) on the CMS website.

RESOURCES

Table 1. DMEPOS CBP Resources

Resource	Website
DMEPOS Competitive Bidding Program	CMS.gov/Medicare/Medicare-Fee-for-Service-Payment/DMEPOSCompetitiveBid
Beneficiary-Related Information	Medicare.gov
Competitive Bidding Implementation Contractor	DMEcompetitivebid.com/cbic/cbic2021.nsf/DocsCat/Home

Table 2. Hyperlink Table

Embedded Hyperlink	Complete URL
Physicians and Other Treating Practitioners, Physical Therapists, and Occupational Therapists	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/DME_Physicians_Other_Pract_Factsheet_ICN900926.pdf
Hospitals That Are Not Contract Suppliers	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/DMEHospitals_Not_Contract_Suppliers_Factsheet_ICN905463.pdf
Repairs and Replacements of Off-the-Shelf Back and Knee Braces	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/DME_Repair_Replacement_Factsheet_ICN905283.pdf
Beneficiary Notices Initiative (BNI)	https://www.cms.gov/Medicare/Medicare-General-Information/BNI

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